

JPRS 76759

5 November 1980

# Near East/North Africa Report

No. 2215



FOREIGN BROADCAST INFORMATION SERVICE

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available from Bell & Howell, Old Mansfield Road, Wooster, Ohio 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

5 November 1980

## NEAR EAST/NORTH AFRICA REPORT

No. 2215

## CONTENTS

## INTER-ARAB AFFAIRS

Journalists' Conference Is Stage for Iraqi Aid to Egyptian Journalists (Yusuf Ibrahim Yazbak; AL-MUSTAQBAL, 30 Aug 80) .....	1
Reasons for Postponement of Palestine National Council Discussed (AL-'NAHAR AL'-ARABI WA AL-DUWALI, 14 Sep 80) .....	3
'Arafat Expresses Optimism in PLO Struggle (Yasir 'Arafat Interview; HOY, 24-30 Sep 80) .....	5

## AFGHANISTAN

Afghan Government Restricts Passports, Sale of Homes (JASARAT, 4 Sep 80) .....	10
Afghanistan Reportedly Reorganized Into Seven Military Districts (JASARAT, 3 Sep 80) .....	11
Briefs	
Russia Tries Enlisting Tribesmen	12
Kabul Seemingly Normal	12

## EGYPT

Major Contractor Gives Views on Market Control, Food Supply ('Thman Ahmad 'Uthman Interview; ROSE AL-YUSUF, 22 Sep 80) .....	13
---	----

## IRAN

Army of Oppressed Gets Mobilization Training (SOBH-E AZADEGAN, 20 Sep 80) .....	20
Briefs	
Embassy in Rome Protection Request	24

## ISRAEL

Commentator Calls for Burg's Replacement as Autonomy Chief (Mati Golan; HA'ARETZ, 21 Oct 80) .....	25
Briefs	
Jordan Funds Forbidden	27
Paper Seeks Explanation	27
Land Purchased in Samaria	27

## KUWAIT

Gulf War Prompts Arab Alliance in Area (Editorial; AL-QABAS, 7 Oct 80) .....	28
Briefs	
Japanese Modernization of Refinery	29

## LEBANON

Minister Discusses Food, Health Issues (AL-SAFIR, 7 Aug 80) .....	30
Islamic Council Reacts to Jumayyil's Call To Liberate Lebanon (AL-SAFIR, 5 Aug 80) .....	32
George Hawi Interviewed on Civil War, CP Congress (George Hawi Interview; TRICONTINENTAL, No 67-68, 1980).	34
Merger of Three Nasirite Organizations Announced (AL-SAFIR, 2 Aug 80) .....	41
Phalangist Plans, Internal Conflicts Analyzed (AL-WATAN, 15 Sep 80) .....	42
Phalangists Arrested, Weapons Confiscated (AL-WATAN, 22 Aug 80) .....	45
Phalangists Eliminate Their Competition (AL-RA'Y AL-'AMM, 17 Aug 80) .....	47
Secret Resolutions of Phalange Party Revealed (AL-HADAF, 21 Aug 80) .....	49
Sequel of Army Test of Strength in al-Hadath Discussed (AL-WATAN, 14 Sep 80) .....	51
Central Bank Raises Ceiling on Bank Credit (AL-NAHAR, 6 Aug 80) .....	55
Prominent Industrial Representative Deplores Financial State (George Bashir; AL-ANWAR, 13 Sep 80) .....	57

Banker Discusses Positive Developments in Business (Habib al-Bustani; AL-ANWAR, 13 Sep 80) .....	65
State Indebtedness to National Social Security Fund Given (AL-NAHAR, 8 Aug 80) .....	70
SUDAN	
Role of Merchant Marine in Bolstering Economy Praised (Muhammad Ushik Hashal; AL-AYYAM, 29 Aug 80) .....	71
TUNISIA	
Mzali Addresses Populace of Siliana (LA PRESSE DE TUNISIE, 28 Sep 80) .....	75

JOURNALISTS' CONFERENCE IS STAGE FOR IRAQI AID TO EGYPTIAN JOURNALISTS

Paris AL-MUSTAQBAL in Arabic 30 Aug 80 p 29

[Article by Yusuf Ibrahim Yazbak: "Protecting the Arab Journalist From Camp David and Its Parties"]

[Text] Last week Paris witnessed the "Conference for Solidarity with Egyptian Journalists," which was organized by the Society of Arab Journalists in France, the president of which is Wafiq al-Taybi, with the guidance and support of the "General Federation of Arab Journalists. It was convened, with Sa'd Qasim Hammudi, president of the above-mentioned federation, as its chairman, on Wednesday and Thursday, 20 and 21 August, at the Hilton Hotel. The elite from the world of journalism, law and letters from Iraq, Syria, Lebanon, Jordan, the Sudan, Algeria, Tunisia and Libya participated in its activities and debates, along with more than 20 Egyptian journalists, some of the most illustrious and active journalists from the Nile Valley, whom persecution had forced to emigrate from their homeland because of their opposition to the policies of the ruling regime there--the policy of submission to the enemies of the entire Arab nation. This is the characteristic fate of all those who have successively said that this policy is traitorous.

The conference's opening session was attended by representatives from some Arab embassies, the World Organization of Journalism, the International Federation of Journalism, the French national journalists' union, and many other unions.

The high point of the conference was an announcement by its chairman, Sa'd Qasim Hammudi, president of the federation, that the Iraqi government had once again reaffirmed its promise of practical support for the circumstances and guarantees whereby the Egyptian colleagues could continue their struggle against the capitulatory conspiracy. These requirements may be summarized as follows:

1. All those Egyptian journalists whose passports have been withdrawn, not extended or not renewed, or from whom citizenship has been dropped, are granted Iraqi citizenship and passports, to ensure their right to a decent life for themselves and their families, in any place of struggle they choose.
2. The Egyptian journalists will be guaranteed the right to work in Iraqi organizations, and those journalists who are overseas will be protected from all the forms of persecution and pursuit to which they have been subjected by al-Sadat's authorities.

3. A fund will be established to support all manners of struggle by Egyptian journalists, and will be placed at the disposal of the federation, to help all those who are suffering because of their patriotic political stands.

4. The necessary means of protection will be provided for those Egyptian journalists who prefer to remain in Egypt without collaborating with the al-Sadat regime, and who are exposed to various kinds of persecution.

The conferees advised the General Federation of Arab Journalists to make efforts to get Arab capitals to adopt effective measures similar to the positive initiative taken by Iraq, to support the Egyptian journalists' struggle at home and abroad.

The conferees also requested the general federation to form an international-Arab committee to defend their Egyptian colleagues in case they are brought to trial because of their views and writings, and that the friendly journalist unions defend those colleagues who are working in their countries.

The most important reports discussed at the conference were "Egyptian Journalism In Its Struggle Against Terrorism and Imperialism," by Sa'd al-Ta'ah; "Al-Sadat, the Journalists and the Conflict of Wills," by Fathi Khalil; "Syncophantic Groups and the Egyptian Press," by Sa'd Zaghlul Fu'ad; "The Camp David Journalism Law," by 'Abd-al-Mun'im al-Ghazzali; "The Subjugation of Education and Information In Light of International Law and Human Rights," by Samir Nada; and "The Democracy of the Meatgrinder," a collection of extraordinary laws passed by al-Sadat.

It was evident that most of these reports were written with total objectivity and seriousness, and that the discussions were also conducted with total objectivity and seriousness, which proved that the conference had made progress towards its goal, on the liberal nationalist level on which the General Federation of Arab Journalists operates.

Here it should be pointed out that three main positions were observed during the discussions at the conference:

1. There was extremely violent, concentrated attack on the regime of Muhammad Anwar al-Sadat and those behind him;
2. There was a violent attack on American imperialism and the presence of the state of Israel;
3. The Egyptian colleagues associated among themselves in a brotherly manner, proving their good-naturedness, in spite of the differences in their ideologies and socio-political aims.

At the end of the conference, Chairman Sa'd Qasim Hammudi replied to a question as follows: "The Arab journalists' federation is adopting this stand in order to protect and aid every journalist persecuted by his government because of his struggle against Zionism and imperialism. We at the federation are on the side of all our Arab colleagues."

8559  
CSO: 4802

REASONS FOR POSTPONEMENT OF PALESTINE NATIONAL COUNCIL DISCUSSED

Paris AL-'NAHAR AL'-ARABI WA AL-DUWALI in Arabic 14 Sep 80 p 19

[Article by N.M.: "Palestine National Council Is Postponed until 1981; Postponement of Arab Summit Is Possible"]

[Text] Some changes have been made in the calendar of Arab Political activity to adapt it to international schedules. The Palestine National Council [PNC] session has been postponed and the Amman Arab Summit is a candidate for postponement.

A brief news item appearing in the bottom corner of the international news section in last week's press will determine, by itself, the direction of both the Arab and Israeli courses of action in the Middle East conflict.

The news item states that the Council of Ministers of the European Common Market nations will meet on 1 and 2 December to discuss the results of the trip of Gaston Thorn, foreign minister of Luxembourg and current president of the Council of Ministers of the Common Market to Middle East capitals. During this trip, he attempted to feel the pulse of the region's leaders concerning a European initiative taking shape through the UN.

No European meeting will be held before this date to discuss the final form of the European initiative.

This means that the Arab side will decide to wait and see. On one hand, the initiative could possibly clear the way to rescinding the Camp David Accords, which are now suspended at Egypt's request. On the other hand, even if some Arab nations reject the initiative, its final contents, not the Camp David Accords, could become a point of departure for the next Arab political move.

From the Israeli viewpoint, the period before December will be an opportunity for Israel to settle the PLO problem from the political and military standpoints in Lebanon, including the south, naturally. In all probability such a decisive result would be difficult to achieve, and Western Europe will have no alternative but to recognize the PLO in one form or another. Naturally, such recognition would not result in a positive reaction on the part of the new or re-elected American administration with regard to the Palestine question, but this administration would have to use the European initiative, not the Camp David Accords, as a point of departure for its next move.

In the Arab world, the first reaction to the date of the meeting of the Common Market Council of Ministers came from the PLO, which announced postponement of the PNC session,

previously set for 4 September in Damascus, until further notice. AL-NAHAR AL-'ARABI WA AL-DUWALI had anticipated this in a previous issue under the headline: "Ceausescu Advises Postponement of PNC and Arab Summit Meetings."

This does not mean that awaiting the European initiative is the only reason for postponing the PNC meeting. However, it is one of the reasons, according to a statement from a source in the Palestinian leadership.

This source defines the reasons for the postponement as follows:

First: Convening the PNC requires more than two weeks of preparation, working sessions and administrative actions. The PLO leadership does not believe that it is possible to waste this much time while Israel is undertaking daily aggression against the south [of Lebanon], not to mention the internal clashes [between Lebanese factions].

However, the Democratic Front [for the Liberation of Palestine - DFLP] and the Popular Front [for the Liberation of Palestine - PFLP] do not see a positive development in postponing the PNC session. Rather, they believe that it is an attempt to finesse certain policies within the PLO without obtaining unanimous approval. Parties close to Hayef Hawatmah, Secretary-General of the DFLP, believe that holding the PNC meeting would solidify the Palestinian situation in south Lebanon, not the reverse.

Second: The Arab situation and the disputes which erupt every day do not permit convening the PNC without transposing these disputes into the PNC. This would not serve unity of the Palestinian position. Another reason for postponement is perhaps to wait for an Arab situation dominated by less tension and a minimal measure of solidarity. Besides, relations of the Palestinian leadership, or most of it, with certain Arab regimes, including Syria, are tense. This tension would inevitably spread into the PNC.

Third: In any event, convening the PNC would not facilitate the job of the Western European nations in trying to come up with a political settlement for the Middle East question. Rather, it might once again result in an advance rejection of the European effort. If it is undesirable to announce PLO approval of this European effort, it is also undesirable to announce an advance rejection of it. Otherwise, the situation of the Palestinian leadership would become like the situation of "the young girl who rejects a man who has not asked to marry her."

Furthermore, the thrust of the European initiative may not produce support for the PLO. However, it would break the international political deadlock in the matter of settling the Middle East crisis outside the framework of Camp David.

Some Palestinian leaders see the European move as a supplement to the Camp David Accords. But others, who hold decision-making positions, believe that the European initiative may provide opportunity for Palestinian action, whereas no such opportunity exists under current conditions.

With regard to the Arab world in general, the situation is no better than it is with the Palestinians. Therefore, postponement of the Arab Summit conference, which had been scheduled for 4 November, is quite possible."

9605  
CSO: 4802

'ARAFAT EXPRESSES OPTIMISM IN PLO STRUGGLE

Santiago HOY in Spanish 24-30 Sep 80 pp 57-60

[Report on interview with PLO leader Yasir 'Arafat by HOY correspondent Maria Paz del Rio, in Beirut, date not indicated]

[Text] Beirut--At 0115 hours, the streets are deserted, and only a few night owls are still out in a Beirut which is still startled and shaken every so often by gunshots. The guards are alert at their posts, and the tense commotion of day has been replaced by the tense calm of night.

In the offices of Yasir Arafat, leader of the PLO, the stir has not ceased--according to one of the aides, "It is very early"--nor has the vigilance relaxed. Armed guards watch the building's entrance and do a friendly but nonetheless careful search of persons, briefcases, tape recorders, and cameras. The Palestinian leader is in a military meeting "because of recent events," and the interview with HOY, set for midnight, has been delayed.

Israeli attacks on Palestinian bases in southern Lebanon had increased in recent days, and for the first time Syrian Air Force planes had pursued the Jewish teams into Lebanese territory. According to PLO spokesmen, Israel is trying to destroy the bases before the American presidential elections, using Jewish votes as a brake against any pressure Jimmy Carter might want to exert.

Therefore, the Palestinians expect a new attack "at any moment" and are ready. In Arafat's office, everyone has gun in hand, and the quiet jokes and laughter do not diminish the sense of alertness.

Mythical Image

Finally Arafat receives HOY in his large and orderly office, which has a big meeting table, air conditioning, walls covered with books and photographs--including that of the Ayatollah Khomeini--and flags.

Impeccably dressed in khaki, with his characteristic black and white keffiyen and a pistol in his belt, he walks with quick steps, shakes hands warmly, and apologizes for the delay. Fifty-one years old, not very tall, and rather plump, with a grizzled beard and hoarse voice, Arafat perfectly fits the almost mythical image that has developed during the years of struggle.

He is--and he stresses it--president of the Executive Committee of the Palestine Liberation Organization, commander in chief of the joint Palestinian-Lebanese forces (basically, the National Lebanese Movement, a leftist coalition that is fighting the Christian-rightists). To Palestinians he is "the president" of whom they speak with almost reverential respect. But he is also "Abu 'Ammar", whom everyone loves and is willing to follow unhesitatingly.

With this background and his reputation as a fighter, it is surprising to see him take pains with operating a small tape recorder. He too wants to record the interview and has his own recorder, but he does not use it much, so he and an aide spend long minutes pushing buttons until they are finally sure the machine is working. And he explains with a smile, "I don't use it much here in my office." He speaks a very clear English but sometimes turns to his aides in Arabic to find just the right expression.

#### Annoyance With the West

He is warm and smiling in the talk about himself, but when he is speaking about his cause, his tone hardens, and his fist hits the table to underscore his arguments. What bothers him the most is what he calls "the surrender of the western press to Zionist blackmail." According to him, the western media only expresses the Israeli point of view, "the aggression angle, in spite of the fact that we are the victims" and that "the correspondents are witnesses to what is happening."

By way of example, he asked HOY, "Why don't you in Chile open a PLO office? Why do only the socialist countries give their people all the information about our rights?" To illustrate his position, he rises and goes to find a copy of TIME that is on his desk. He turns the pages and shows the article--with paragraphs underlined in red pencil--about the confrontations in the southern part of Lebanon and complains, "This is the whole report; in spite of the fact that there was a big important battle, they do not even give the name of the place, and that Begin was on one side, and I was on the other." (As acting minister of defense, Israeli Prime Minister Menahem Begin was at the front supervising operations.)

In his opinion, the present situation in the Middle East is an Israeli escalation in all aspects:

"It is what is going on in southern Lebanon, the air raids, the massive concentrations of troops in northern Palestine and in one of the occupied Lebanese areas between Marj 'Uyun and Matullah (he is speaking of Mayor Haddad's 'enclave,' HOY 165). We must remember the last big operation, in Beaufort's castle. The Israelis sent two hand-picked brigades, including paratroopers, to occupy the area of Nabatiyah, 'Arnun, and Beaufort. And despite all their deployment, the support of helicopters, planes, heavy artillery, and rockets, they failed, thanks to the courage and decision of our fighters, who are fighting alone, with their flesh and determination, and they taught them a good lesson.

"Despite statements by Israeli military men and political leaders, they are threatening the Palestinians; they are threatening the Lebanese; they are threatening the Syrians.

"In addition, our people, within our occupied territories, are facing an escalation of repression and terrorism. We remember the expulsion of three of our leaders and the assassination attempt on three of our mayors by those terrorists, who are supported and protected by Begin himself. We must remember the fantastic laws, the inhuman laws against Palestinians living in the occupied territories. For example, they are imposing punishment for ideas and opinions. All a Palestinian child has to do is say he is with the PLO, sing a Palestinian song, or have a Palestinian flag, and he is arrested and punished. This did not happen even under the Nazis, this is the first time it has ever happened in the world.

"Another law concerns universities. All the universities must be under Israeli military administration and leadership. They are against human beings, against science, against beliefs. This is the escalation we are facing."

[Question] And where does this escalation lead?

[Answer] To war.

[Question] Another war in the Middle East:

[Answer] Yes, indeed. We must recall what happened a few days ago between the Syrian Air Force and the Israeli Air Force.

[Question] Do you believe that the Arab countries will go to war without Egypt?

[Answer] Why not? We have what we need. We Palestinians are fighting alone now. And we will fight with other Arab countries, because we have no other choice. What are they offering? Genocide, oppression, terrorism. Accepting those choices means living like slaves. We absolutely will not accept living like slaves. We will resist and the Palestinian people living under occupation will resist oppression.

## Two Revolutions

According to Arafat, resistance means using all means: political, diplomatic, propaganda, information, and education. To him, the war "is a part of the political struggle; it is a political measure, but more forceful."

And he explains: "We Palestinians have to build major revolutions within the spirit of our tragedy. After 1947, when our tragedy began, we started our first revolution: the educational revolution. And through it we now have the highest literacy rate in the region, including the Israelis, a fact of which we are proud. Because we consider our struggle, our confrontation, a war against our civilization, education is very important.

"The second revolution is resistance, armed struggle. Diplomacy is part of the struggle."

Nevertheless, there are factors in diplomacy that do not interest the PLO--the talks on Palestinian autonomy between the United States, Egypt, and Israel, for example. Although many sectors, from the UN secretary general to the European Community, have stated the necessity of PLO participation in the talks, Arafat rejects the idea.

He says: "Autonomy? No! We definitely do not intend to participate in those talks. What is this autonomy? It is a new kind of slavery for my people, and we reject this new slavery. We reject the whole Camp David conspiracy, including this autonomy. It isn't even autonomy. They are only offering self-administration, and within that self-administration, they (the Israelis) must control even the water sources, even the water sources! Give me one example in the whole world where the inhabitants of a city cannot control the water they drink. Who can accept this?

"They view us as Indians. The Yankees pushed the Indians away from the rivers, away from the water sources, into the desert. This is what they envision doing to us. But we are not the Indians. We are here; this land is our land; it is our fathers' land, our grandfathers', and it will go on being, not just our children's, but our grandchildren's land. This is the Palestinian people's determination. We will not be the Indians."

#### Neither Carter Nor Reagan

In other respects, his feeling toward "Yankees" has not improved much. Basically, this is because "what we are suffering in part of the Camp David agreement, which was planned by the American government and has been implemented by Israel and Sadat. And they persist in not recognizing any Palestinian rights, including the right to return to our land, the right to self-determination, and the right to establish our independent state on our own land."

According to the Palestinian leader, what is happening in southern Lebanon results from the United States' "green light" [to the Israelis], including the use of American weapons, which is expressly forbidden in the sales contract. The Israelis explain that it is "self-defense."

Arafat feels "the genocide our people are suffering is taking place because of U.S. policy." Therefore, in his opinion, it will make no difference, if Ronald Reagan becomes the U.S. president.

"In superpowers like the United States, the presidency and the president's decisions are very important, but they are no more than 25 percent of the whole decision. The ones who make policy are not only the president and his advisors, but also the entire establishment; it is a continuing policy."

Arafat recognizes a slight change in the attitude of the press and the American public. "The contributor begins to ask himself, 'Why are we killing Palestinians, Lebanese, and Arabs with American weapons used by Israelis?'" However, he is not concerned about the reaction of that public in the case of another war.

"You know, I am not seeking war. The Israelis are preparing for war, not me. It is not my choice. We are resisting occupation, because we have no other choice. If you were in my place, you would do the same. We are human beings, and we want to live like human beings on our own free land."

#### A Time Bomb

An important part of that resistance is the attitude of Palestinians living in territories occupied by Israel. Arafat calls them "our time bomb," because "after the Camp David conspiracy, they believed our people would accept that conspiracy.

But our people were a time bomb that blew up in the face of that conspiracy. We put our confidence in those people, because we know beside whom we are fighting. We are fighting beside our people; we have the will and determination, and with that will and determination, we shall win the victory sooner or later."

The victory is the creation of an independent, secular, and democratic state that--according to the latest resolution by the Palestinian National Council (CNP), the parliament, the supreme body of the PLO--it will be declared in every part of Palestine that Israel must withdraw, or it will be liberated. Whether that is enough, or whether it will be the basis for continuing the struggle until all Palestine is "liberated", will depend, says Arafat, on the CNP, "because we respect our democracy, and what the CNP decides is what we shall do."

Democracy is very important to the Palestinian leader. If he is asked about the political structure of that independent state, he stresses that, "We shall respect our democracy; we shall give all Palestinians complete freedom to choose the kind of government they want. We are proud of our democracy, and what the majority decides will be what we will do. I shall not be the one who decides."

And he stresses, "You have to think what a democracy means in the revolution. A democracy is not easy in a jungle of weapons, but it is a new experiment."

There are those who have expressed doubt that a Palestinian state would be able--physically and economically--to receive all the refugees.

Arafat is precise: "Definitely, every Palestinian will have the opportunity to return to his country, his state. We cannot prevent anyone from coming. That Polish terrorist named Begin has the right to return to Jerusalem, and I, who am from Jerusalem, cannot return to Jerusalem?"

The voice rises, and the hand again pounds the table. But the smile appears again when one tries to find out something about Arafat the man. "No personal questions," he says, tearing himself away to go, at 0200 hours, to another military meeting (apparently 3 or 4 hours of sleep are enough for him). And he turns back to add somewhat sarcastically, "I am not a monster; I am a human being, as you can see." What does he like; what is important to him? "Only fighting for my people's salvation."

8587

CSO: 3010

AFGHAN GOVERNMENT RESTRICTS PASSPORTS, SALE OF HOMES

Karachi JASARAT in Urdu 4 Sep 80 pp 1, 6

[Article: "Fierce Bombing by Russians in Herat; Widespread Fighting; Restrictions on Passports, Sale of Property"]

[Text] New Delhi, 3 Sep (PPI/Reuter APA)--There is widespread fighting between the Mujahidin and the Russian army. According to some Western diplomatic sources, Russian planes fiercely bombed the city of Herat, and there is heavy fighting in Kandahar, a southern province. Since mid-August, the Kabul-Jalalabad road was opened only a few times. It was partially destroyed by the Mujahidin toward the end of August.

It is calm in Kabul, but reports of officers of the ruling People's Democratic Party being killed have been received. In Wardak, a province west of Kabul, the Mujahidin planted mines on a road just before a Russian army convoy was to pass over it.

According to some diplomatic sources, there was heavy traffic of Russian planes at Kabul airport on 29 and 30 August. The planes were transporting army units. The activities of Helicopter Gunships are increasing around Kabul. Reports of battle in (Panjsheer) valley, north-east of Kabul, have been received.

It is learned that many officials in Kabul's foreign ministry have either been fired or transferred to other countries. Once again, the government is denying passports to citizens who want to leave the country. Many Afghans who wanted to leave the country were detained at Kabul Airport. According to another report, no sale or purchase of property is allowed without the advance approval of the secret police. This is to prevent the sale of homes by homeowners before leaving the country.

Meanwhile, a message of President Karmal was published today. According to it, Afghanistan expects to get unprecedented cooperation from Russia after peace has been restored. This message has been sent to Brezhnev and Kosygin, president and prime minister of Russia respectively.

7997

CSO: 4203

AFGHANISTAN REPORTEDLY REORGANIZED INTO SEVEN MILITARY DISTRICTS

Karachi JASARAT in Urdu 3 Sep 80 pp 1, 12

[Article: "Russian Generals Plan to Crush Afghan Mujahidin; Government Army Divided Among Seven Districts; Administrator of Each to Be a Member of Party Presidium; 1,000 Commandos and Russian General to Assist Each District; 10-fold Increase in Salaries of Soldiers"]

[Text] New Delhi, 2 Sep (APP/Reuter)--Russian advisers and consultants are launching a large scale plan to crush the desire for freedom of the Mujahidin. The basic strategy of this plan is to get one tribe to fight another. A delegation of high ranking officers of the Russian army arrived in Kabul last month to put this plan into operation.

After consultation with the Karmal government, it was decided to divide the country into seven military districts. According to some informed sources, a volunteer army was started. A soldier of this army is paid 7,000 Afghan rupees (\$175). This sum is 10 times more than the amount paid to a regular soldier. The administrator of each district will be a member of the central committee or presidium of the People's Democratic Party. Each of these administrators will be assisted by one Russian general and 1,000 commandos, in addition to his regular forces. Resources are being used on a large scale to implement this new plan.

According to some informed sources, the Russians and their puppet Karmal government are using tribes against each other. According to this plan, a unit composed of Paktra tribesmen was sent to Parwan and Badkhsan provinces to infiltrate and destroy the Mujahidin of north and northeast Afghanistan.

As a result of the new military reorganization, the Kabul area has come under the control of Mohammad Aslam Watanjar, the minister of communications. The new volunteer militia uses regular uniforms and is equipped with modern weapons. This militia has been in operation for over a month. Its major duty is to scare the people. It is reported that its mercenaries are charged with killing the Mujahidin, but they also kill innocent citizens.

An Afghan politician who is presently in India said that spies of the Karmal government are trying to get the Mujahidin to fight among themselves. The spies spread rumors about some Mujahidin groups being communists rather than Muslims. Thus, the people in power are using the traditional method of divide and rule.

7997

CSO: 4203

## BRIEFS

RUSSIA TRIES ENLISTING TRIBESMEN--Russia is offering large bribes to Afghan tribesmen to join a volunteer army. This volunteer army is being recruited to fight the Mujahidin, using Mujahidin tactics, and divide the Afghan people into two camps fighting each other. Afghan tribesmen, especially young men, are being offered top salaries for joining this army. According to the Mujahidin, Russia has spent over \$200,000 so far. [Text] [Karachi JASARAT in Urdu 6 Sep 80 p 6] 7997

KABUL SEEMINGLY NORMAL--New Delhi, 4 Sep--Incidents involving gunfire or bombings happen almost every other night in Kabul. Visitors to this city are amazed that the 300,000 inhabitants of this city, many of them Europeans, do not seem to pay attention to them. From the hills surrounding Kabul, one can hear the echo of fighting in the city, but one cannot guess the actual place of the fighting. Because of strict government censorship, the newspapers do not publish anything on gunfire, bombings, explosions, their causes or who died in them. Because of the strict curfew at night, no one except the Russians and their collaborators know what exactly is happening. Travelers arriving from Kabul report that the seemingly normal situation in Kabul is a strange phenomenon. There are 48 West German citizens in the city. Among them are officials of the embassy, the staff of a German-Afghan School, representatives of several companies, and directors of the (Goethe) Institute. The West German colony includes 10 women and 6 children. [Text] [Karachi JASARAT in Urdu 5 Sep 80 pp 3, 10] 7997

CSO: 4203

MAJOR CONTRACTOR GIVES VIEWS ON MARKET CONTROL, FOOD SUPPLY

Cairo ROSE AL-YUSUF in Arabic 22 Sep 80 pp 24-28

[Interview with 'Uthman Ahmad 'Uthman, major contractor and close associate of President Sadat, by Mamdule Mihran]

/Text/ The beginning was a telephone call, in which I told Eng 'Uthman Ahmad 'Uthman "You have talked a lot to me about providing the people with food, especially meat, whose shortage you promised to end through the party's Popular Development Committee. The result was that slaughter was prohibited for a month and people raced all over one another for the modest quantities of fish and poultry which began to be offered to them."

He said, "This is not a fit subject for a passing phone conversation. What you are saying needs an explanation, so that we can put the facts in their place. I will be waiting for you after midnight when I will be fully at your disposal after completing my work program of the day."

I said, "Agreed." I went at the specified time and a heated discussion took place, in some of which Eng Mahmud 'Uthman and his wife Jihan al-Sadat took part. The conversation extended late into the night. In the course of it Eng 'Uthman Ahmad 'Uthman declared a group of important items of news.

The Question: Where to?

I began the conversation by saying "Where is the meat shortage going, after all the efforts that have been made?"

He said, laughing, "Meat is not a problem in Egypt. The matter requires more production and patience for a while, nothing more. Our people can produce and bear up. In general, whatever the sufferings of our people, they cannot have reached, and will never be able to reach, what I saw with my own eyes in Germany, after its defeat, when you would go down the street smoking a cigarette and two people would go behind you, each of them waiting to get a piece of it to satisfy his smoking habit. That was the point the situation in Germany reached. You certainly do not need me to explain to you what the situation there is now and the extent of prosperity it has reached. They got there only through production and patience."

I said, "We have heard a great deal about your projects, which you are embracing within the National Party's Popular Development Committee, which has given the

people broad hope of a relaxation in the food shortage, especially the meat shortage. Nonetheless the problem seems to be without a solution!"

He said, "If we want to debate let objectivity be our guide. Yes, there are many projects for self-sufficiency in food, especially meat of various kinds. Numerous companies are now being established and formed in this realm. There are many projects which we are on the road to taking steps to implement. However, let me ask you if these projects can be established overnight. Are these projects, as soon as they are announced, strong enough so their production is able to start? A single company when formed requires not less than 2 years' time to produce, under a skilled businessman. However, I previously succeeded in al-Isma'iliyah, then in the Engineers' Union, prior to the National Party's Popular Development Committee, in forming dozens of companies involved in self-sufficiency in food. It takes no more than 3 months to form one, when we start to establish a company, but for us to put it on the production lines we need at least 3 more months, as far as companies with rapid production go; with some companies it takes a year."

He filled that out by saying, "Hamdoun, I don't possess Solomon's ring. I am just a person who gives what he can and travels on the road to carry out his projects, which will yield up production sooner or later, and neither you nor anyone else should imagine that it is wise for any project to begin overnight. What is important, rather, is that we make the right beginning, and continue, and that is what I and the sincere men who are with me are doing. However, in 1981 dozens of these projects will yield production and after that I am prepared to be held to account not by you but by the people, who will know the value of these projects when their production reaches them."

I said, "We must wait."

He said, "No, we must work and join forces. The party Committee on Popular Development is bearing the responsibility for self-sufficiency in food on its shoulders and God willing will succeed in its task. The committee is working with a spirit which I wish every Egyptian citizen could closely observe in order to realize what we are doing; if he did he would be confident that the current shortage is transitory and that production will really inundate the market soon, and not with words, God willing."

I said, "Do you understand where the problem lies? And where the solution to it will start?"

He said, "The problem in Egypt is not one of meat, it is one of organization. As an example, do you know that every year Egypt slaughters 900,000 calves and that the weight of each does not exceed 70 kilograms? Do you know that half of this number is females which we must not slaughter but must raise so that they may become fertile and we can increase the resource? What is happening with female calves is a national crime against animal resources in Egypt and will lead not just to high prices but also to a decline in the sources of meat.

"If there is some organization and we exempt half this figure from slaughter for example as a beginning for a period of 1 year that will mean that I will increase the meat supply by 50,000 tons. If we exempt that for 2 years the increase will be 100,000 tons--that is, 1 billion kilograms of meat /sic/, which will be provided

by one method, by not slaughtering half the calves we slaughter every year. If we gradually succeed in not slaughtering them all, the quantity will reach 200,000 tons, or 2 billion kilograms of meat /sic/, which by itself will be able to create tremendous sales in the meat market. But unfortunately we have not done that, animal resources are lost, and then we scream about the meat shortage.

"The shortage we have realized in livestock resources was not created overnight; it escalated for the reason I gave you and therefore solving it will require solutions which will subject livestock resources to sound use."

And Fodder?

I said, "But the problem is in providing the necessary fodder for raising these calves, as you say."

He said, "There are two kinds of fodder. There is green fodder, which is an easy matter since we grow it, especially in the new lands, and concentrated fodder, for which we must construct factories. We have actually started to build two big fodder plants to produce millions of tons; for production to start in either will require no less than 2 years from the date on which construction of the project starts. However, does that mean that I should wait until these factories start producing? Not at all. The alternative exists, and that is imports. We must import large amounts. I do not want to provide fodder alone, I will strive to provide it at the docks for those who want it and enable them to obtain it easily and at appropriate prices."

I said, "Is that possible?"

He said, "Very much so, and why not? I had previous experience when I was appointed minister of housing and reconstruction, a shortage of building materials was sweeping the country, there was a black market everywhere, and exploitation of the public was at its most intense. What did I do? I did not do more than import tremendous quantities of all the necessary raw materials and succeed in supplying them to everyone who asked for them in any quantity at any time. The black market was suppressed at once, spontaneously. In fact, what happened was more than that. Merchants, owing to the pileup of goods in their possession, because of their large quantities, demanded that the amounts allotted to them be reduced. I challenge anyone to say that the market experienced any shortage of any kind in the period when I was in charge of the Ministry of Housing and Reconstruction."

I said, "Will that experience apply in the area of food?"

He said, "Yes, we will do that at the start and all foodstuffs, foremost among them meat, will be supplied to any citizen in any volume at any time. However, here the situation is different: in providing food, I do not want to rely primarily on imports but on production, so that I can realize self-sufficiency in my requirements. My concentration in imports will be on fodder, which the fattening process requires, and also on imports of factory equipment, materials I will process and mechanical slaughterhouses."

I said, "But foodstuff, especially meat, need preservation. Do you have storehouses suitable for them when they are imported?"

He said, "That is a very vital point and therefore in order to be able to store large quantities of meat that I can supply for consumption at the appropriate time in the appropriate quantities I will need a cooling capacity of not less than 400,000 tons in the form of refrigerators, in the form of one refrigerator per governorate. Do you know that the storage capacity of our refrigerators now does not exceed 70,000 tons!"

And Poultry?

I asked, "Does poultry enjoy a share in this concern?"

He said, "Naturally poultry resources represent a basic important source of protein and therefore in just 1 year I will double the quantities the Ministry of Agriculture farms produce to 150 million hens, in place of 75 million. Fish will enjoy a similar concern. While we are trying to provide animal meat in the necessary amounts, we are also striving to increase poultry and fish output so they may occupy a large portion of the consumption map, reducing the pressure on meat. This will be reflected in the setting of their prices."

I said, "On whom will you depend in implementing your new projects to provide food, principally meat? The subject requires awareness."

He said, "I will rely on my children the graduates of all the university faculties and technical schools."

I said, "Who will assume the chairmanship of the Popular Development Committees in the governorates, which will be in charge of implementing this idea in each governorate?"

He said, "The governors. Each governor is the head of the Popular Development Committee in his governorate."

I said, "And where do you get the necessary financing?"

He said, "From the banks. President al-Sadat has met with bank men for this purpose specifically, I mean, for the purpose of having the banks finance projects for self-sufficiency in food. Here all the problems are solved and financing will no longer be an obstacle in the way of projects for self-sufficiency in food which will be determined by the Popular Development Committee centrally or in the governorates. We will then assume charge of the process of studying and preparing the steps to carry them out, and really carry them out, through financing by the banks, which they will obtain. Then I will hand them over to the graduates, where they are, to take possession of them in stages and start managing them. I, as a committee of popular development, will take charge of supervision, problem-solving, and overcoming the obstacles in the way, so that the process may proceed on its proper path."

I said, "How will activity within the committee be organized so that these specialized people will be able to make their contribution?"

He said, "A council of experts will immediately be formed in the Popular Development Committee, under my chairmanship at the outset; then, after that we will look

for someone to chair it who will possess the specifications the process requires. This council will supervise a number of branches, for instance a branch for live-stock, a branch for poultry, a branch for fish, a branch for eggs, a branch for fodder, and others. Through these branches the council will take charge of studying the entire food situation in the context of the republic, area by area, from Alexandria to Aswan, having real figures at its disposal on strong points and weak points in every spot so that we will strive to remedy them as soon as they appear. This council's ties with all growers in every area will be strong and it will take charge of collecting their problems from every standpoint then solving them without obliging the growers to be concerned about losing time in this regard, so that they can save their time for the productive process. It will provide relevant production accessories in a manner whereby they will reach them as cheaply, easily and quickly as possible. Then, in another area, it will purchase the grower's output from the grower without exploiting the circumstances of the market he is involved with, at a feasible price which will encourage the grower to continue, instead of stopping."

"Here I will pause briefly."

I said, "What about?"

He said, "One of the causes of the meat shortage is speculation by merchants against producers. They plotted against them, buying their output at less than its real cost, and this frustrated these growers from continuing in this field and was reflected in the volumes supplied and their prices."

I said, "Have we forgotten the problem of the contracts?"

He said, "This in its turn is a big problem, but it has ended."

"Do you know what happened?"

"This governor would contract with a grower to give him the fodder necessary to fatten four calves, for example, provided that he buy two from him at a price of 80 piasters per kilogram live, then leave him the other two calves to sell at the price he saw fit. Here we find that the grower lost 40 piasters per kilogram at least for the calves he sold to the governorate. Therefore he would try to make up for that by raising the price of the calves he sold on the free market, which resulted in a rise in the price per kilogram of meat. This was on the one hand. On the other, do you know why 60,000 tons of fodder remain in the warehouses in the Ministry of Agriculture? The issue turned from one of raising and fattening livestock to trafficking in fodder. When a person obtained 4 qantars of fodder at 30 pounds per qantar per head, he preferred not to raise the animal but would sell the amount on the black market at 100 pounds per kantar--that is, he would pay 120 pounds and sell at 400, earning 280. Trafficking in fodder became more lucrative than raising livestock. Gradually the number of growers dropped when the fodder moved into the hands of weak-spirited persons who used it for trafficking rather than for growing. For that reason the president's decree cancelling the contracts at once was wise."

Eng 'Uthman Ahmad 'Uthman said, "There must not be two prices for fodder, an official price and a black market price. Rather, we must provide the necessary

quantities and unify the price so that fodder can emerge from the dominance of the black market."

I said, "How can that happen when our output does not exceed 1.25 million qantars and we need 4 million qantars?"

He said, "Our factories, which we are building, will produce that, but until this happens I must import and provide fodder in tremendous volumes satisfying fattening consumption requirements."

#### Pricing--Now

I said, "But the meat shortage will not ease overnight. Until these solutions produce results, what will the consumer do in the face of the tyranny of the butchers' empire?"

He said, "Tentative compulsory pricing of meat is necessary now even if the pricing is mobile and can be amended every 3 months, for example, by increases or decreases according to the condition of the market--provided that this pricing take into consideration that the grower or merchant is not defrauded and the consumer is not exploited."

I said, "And if the merchants hide the meat?"

He said, "We have our arrangements. There are tremendous amounts of meat, both that available from the prohibition on slaughtering this month, the amount in storage to cover the 'Id al-Adha requirements, the amounts to be supplied next month and the other additional amounts which have been provided as a reserve for this matter. Then meat is not a commodity which can be locked up and stored and even if it is for a month, it cannot be for 2 months." He then laughed, saying, "Then if the merchants retrench, the retrenchment will result in savings in the livestock resources we want to develop, and that will help increase their quantities in the future in a manner which will make their prices appropriate. As far as the government goes, it is fully prepared to face the situation with all the means it has to prevent the exploitation of the people and provide the citizens' needs."

I said, "But is the subject of preventing the slaughter of veal calves just a view presented to growers, or are there measures to carry this out?"

He said, "Of course there are measures. They will be among the tasks of the council which will be formed within the Popular Development Committee to follow up on this matter in all governorates. For example, in a governorate like al-Qalyubiyah, the popular development committee will be established under the auspices of a number of villages and peasants who have buffaloes or pregnant cows. It will then get in contact with these peasants to determine if a calf is to be raised and it will help them in raising it. If it is to be sold we will buy it from him for more than the merchant's price and will keep it to raise it.

"It is not just this that is important. This council is appointed to be the thermometer of the supply situation, especially the meat supply situation, in terms of capacity of refrigerators, the number of calves, the poultry pens or whatnot, so that the matter can proceed through a proper fixed system which ultimately will be

able to achieve balance in the equation, that is, preserving and developing livestock resources, encouraging growers, providing their requirements, storing meat, supplying it to the public in the necessary amounts, covering the weak points and increasing the distribution outlets."

I said, "On the subject of increasing distribution outlets, how far have the efforts of the National Company for Self-Sufficiency in Food gone?"

He said, "They are moving full speed ahead. We are now intending to carry out a project to provide 50 sales outlets for the company every month, and we will proceed at these rates, which we will try to increase, until the company is able to perform the role expected of it. This is in addition to popular meal counters which we will expand and deed over to our sons the graduates. I will develop the experiment so that our children can take over such food projects as Wispey's, instead of foreigners."

I said, "Do you believe there is a meat shortage in your home, as there is in the homes of people generally?"

Here Mrs Jihna al-Sadat Jr took charge of responding, looking at Eng 'Uthman Ahmad 'Uthman and saying, "Blessings to 'Chief Engineer Ahmad,' who provides us with all our requirements so we don't buy from the market." Eng Mahmoud 'Uthman broke in jokingly, stating "Come on, he exploits us." We all laughed, and at this point Eng 'Uthman Ahmad 'Uthman broke in saying, "Really we don't buy chickens or eggs or meat-- my son Ahmad raises about 75 egg-laying hens and cooking chicken, he raises livestock especially sheep, and his output covers all the requirements of his brothers, his cousins and the family. In fact he also raises pigeons and goes to al-Isma'iliyah, where he fishes, and his catch is enough for all of us. He likes this activity, which he pursues at home."

I said, "Why don't you allow him to establish a big project?"

He said, "He still is a student in the Faculty of Engineering. Here I am not just relating the story of my son Ahmad, I am asking every family in Egypt, especially in the rural areas, to carry out this type of small project, which will suffice for a family's consumption requirements. Providing food is easy but we must not hand our affairs over to the government. We must begin with ourselves lest we create problems then revolve around them even if there basically is no problem."

I said, "There isn't time, we have approached the dawn prayer, people are all going off," and I went home to transcribe the conversation which took place at the meeting.

11887

CSO: 4802

## ARMY OF OPPRESSED GETS MOBILIZATION TRAINING

Tehran SOBH-E AZADEGAN in Persian 20 Sep 80 p 11

[Article: "Special to SOBH-E AZADEGAN: Illustrated Report on the National Mobilization Camp for the Oppressed"]

[Text] Mashhad--Sabri Tabatab'i, SOBH-E AZADEGAN reporter. During the week of establishment of the big national mobilization camp for the oppressed in Baghrud of Neyshabur, we had an opportunity to discuss various questions concerning the camp with its overseer, Colonel Kuchekzadeh, acting commander of the 77th Army of Khorasan and supervisor of the mobilization camp for the oppressed of Baghrud of Neyshabur.

The photos accompanying the interview on this page of the mobilization staff's various military training exercises were especially prepared for SOBH-E AZADEGAN. [photos not reproduced]

Colonel Kuchekzadeh began by saying: I want to tell you that the mobilization camp for the oppressed that has been established in Baghrud for the sake of strengthening and unity, in view of the current circumstances in which every brother and sister is involved, meaning the imperialist plots of the West and the East and their handpicked agents in our midst, can be a gathering that shows cohesiveness, a fist in the mouth of imperialism, whether Eastern or Western.

Question: Can you explain a little about how revolutionary and government groups are working with camp officials?

Answer: You are certainly aware that this camp was erected with great haste. It must be sincerely stated, however, that all groups helped us with the erection of this camp as much as they could and their help was truly valuable. Everyone joined hands to construct a camp to accommodate around 10 thousand people (considering the allotted time, which was one week) and, praise God, we completed this important task.

Question: Could you tell us the criteria for the selection of camp members and who the people were who were chosen from the municipalities and provinces and came here?

Answer: Selection is mostly subject to the approval of the mobilization brothers. Their first priority is piety, the second priority is order and discipline and

and they make their selections based on the same criteria as that used for the brothers. Of course it is hoped that the problems and difficulties which will naturally arise in this camp, which is experimental, can be put aside in future camps, with the help of God, and that we will choose forces who will have greater resistance to worldly forces. We have thus limited some of them to a certain extent, especially since we now have brothers who are 50 years old and older, but these are a minority. We have set the age at between 20 and 30 except for a limited group that has come between the ages of 40 and 50.

Question: Could you please explain about camp expenses, when they are paid, from what sources, and whether brothers who are now camp members pay their own expenses or whether the camp assumes this responsibility?

Answer: You are certainly aware that the mobilization has no budget. This is why it was said that the camp was formed with the help of groups, organizations, companies, and other brothers. This assistance, praise God, has been given, and it is through that assistance that the mobilization was organized and secured. The brothers who have come have received absolutely nothing in this connection from them.

Question: Will there be some sequel to the camp after its completion, since these people have directly received training which gives them an advantage over other mobilization brothers?

Answer: One of the areas I discussed was exactly this that this gathering is a fist in the mouth to both East and West. If you are aware, we announced yesterday in the dining hall that our brothers should help other brothers in the West of the country. They should give their names to province supervisors so that later we can pass their style of leadership on to the Western areas.

Question: What kind of weapons training are the brothers who are here now receiving, and what kind of martial arts are they learning?

Answer: Weapons are limited here. The heavy weapons we have are mortars. The small arms are the usual ones with which mobilization brothers are equipped. At the same time, however, we are teaching them destruction techniques and how to go up and down mountains and cross valleys. We also have a program for teaching marching techniques and how to carry out warfare while enroute. We were able to carry out these programs as training exercises with military brothers. At the same time we have been able to secure indoctrination training for camp participants through speeches and calls from our committed and crusading brothers.

Question: What are the daily training hours, and what is the duration of the camp?

Answer: The daily training schedule was set and announced at the first meeting of the camp's opening. According to this program, daily activities begin around 5 am, continuing with specialized training programs until 12:30. This training begins with the fulfillment of religious obligations, until after early morning, then there is military training until 12:30, when the brothers come and pray together. Then they eat lunch together and rest from 1530 to 1800 hours. At 1800 hours there is a meal and a religious talk. A program is also planned for after dinner. These programs are related to ideological questions and revolutionary films such as "Algeria" are shown to the brothers.

Question: What was the reason for establishing the camp in Baghrud of Neyshabur?

Answer: The original plan was to set it up in the north in Ramsar, but afterwards when the matter had been studied we learned that the Ministry of Education and Training had previously designated this spot and the camp was established here.

Question: Could you describe the camp's meal planning, and tell us whether or not you test camp members after the necessary training, or give them cards that show they have had this course?

Answer: Concerning the camp's food, as I have said, the mobilization must be so organized that it can feed itself, like a guerrilla, meaning it cannot rely on prepared, provided food. You can say that we have been able, so far as possible, to prepare some food for our brothers, but the basis of guerrilla activity is that he can manage himself and be self sufficient. He must be able to satisfy his needs if he goes into the mountains and he must have this preparedness. This concept of his criteria for activity is his provender.

Question: What organization helped you obtain the camp site? Do only brothers receive training here, or do sisters also receive the required training in another location in collaboration with you?

Answer: These grounds are managed by the Boy Scouts organization. Those brothers were contacted, and they truly helped us, while they turned this site over to us and helped us with other work related to the camp. Sisters do not take part in this camp. Since this was an experimental camp we did not allow sisters to participate, because it was a trial run. If possible we must get a consensus on them. Naturally sisters must be prepared for mobilization, prepared for jihad, both ideologically and militarily.

Question: Could you talk about the number of instructors, the method of their selection or the obstacles that prevent your rapid advancement?

Answer: We have around 190 military training instructors. Of course there are always shortages. It would be erroneous to state otherwise, and these shortages must be laid aside. We must identify the problems in our work so that we can truly train our brothers better in future camps, and eliminate the shortages and problems of this camp once we have become aware of them.

Question: In the course of setting up the camp, wasn't there obstructionism from beginning to end on the part of certain groups and organizations who placed obstacles in your path? If they did this, do not hesitate to identify them for the sake of the responsibility of the newspaper SOBH-E AZADEGAN so that the people can also know who they are.

Answer: No, praise God, I must say that all groups are truly brothers who have sincerely helped the mobilization. As I said at the beginning of my talk, the mobilization of the oppressed is thankful to all organizations for their help. I should also say that the mobilization is not really a group. The mobilization is like an ocean, the ocean of unity. Groups are like rivers that flow into the ocean, all becoming one. They naturally help us, and, praise God, we truly saw this. All the brothers heartily thank all groups for their help.

Question: Could you tell us whether there was ideological and religious training in this camp or not, along with the military training? If there was not, why?

Answer: As I said, the working principle is indoctrination and religious training, because we must establish that principle. When we make ideas the foundation, when a brother is armed he knows this, and how to use his weapons. He will destroy the enemy with the weapon of belief as well as with military weapons. The efforts of our brothers, and the desire of all our brothers is to strengthen the sessions on ideology. We have received help with this from all our brothers, and as far as possible we have been able to take care of this important matter.

9310

CSO: 4906

## BRIEFS

EMBASSY IN ROME PROTECTION REQUEST--Rome--The Iranian Embassy in Rome has accused the Iraqi Embassy, in a communique, of "planning terrorist attacks on the Embassy of the Islamic Republic of Iran and its diplomatic staff" and has announced that it has "asked the Italian foreign minister in a verbal note to provide greater protection for the embassy headquarters and its other offices in Italy as well as for their staff." The Foreign Ministry has confirmed its receipt of "a number of requests concerning protection and security from the Iranian Embassy and the Iraqi Embassy." The Iranian Embassy communique attributes to the Iraqis several terrorist acts, including the occupation of the Iranian Embassy in London and armed attacks on the Iranian embassies in Vienna, Beirut and Kuwait, as well as the assassination bid on then Foreign Minister Qotzhadeh in Kuwait. [Text] [LD281455 Milan L'UNITA in Italian 25 Oct 80 p 18]

CSO: 4404

COMMENTATOR CALLS FOR BURG'S REPLACEMENT AS AUTONOMY CHIEF

TA211406 Tel Aviv HA'ARETZ in Hebrew 21 Oct 80 p 11

[Commentary by Mati Golan: "Why the Interior Minister?"]

[Excerpts] It is certainly understandable that during 1978 it was difficult to deal with anything that deviated from the sphere of the peace treaty with Egypt. However, 2 years have gone by since then. The original enthusiasm over the peace wore off, and in general the ministers have returned to engage in their own affairs. The exception to the rule is Minister Burg, whose degree of attachment to political affairs has actually intensified since then, by virtue of his post as chairman of the autonomy negotiating team.

The Interior Ministry is a vast empire, even if one devotes one's full attention to it, it is difficult to control. And when dealing with it becomes a secondary matter, as has happened, the prospect for the efficient functioning of this ramified system is negligible.

In parallel, hidden unemployment is being generated in the Foreign Ministry. What is left for this ministry to do when it is freed of the necessity of dealing with autonomy? Persons seeking to enhance the interior minister's prestige point out that there are plenty of occupations besides autonomy: the United Nations, the United States, Europe, normalization with Egypt.

This argument has no real foundation. Every political sphere today is connected in one way or another with the autonomy issue. This is the central issue of Israeli foreign policy and all the rest will be determined according to its lights. Every Foreign Ministry staffer, from the minister to the last of the officials, reveals this truth in his meetings with foreign diplomats and statesmen.

Unquestionably, the cooperation between the foreign and interior ministries is proceeding more smoothly than was the case during the Moshe Dayan period. Minister Shamir is free of his predecessor's personal residues and ideas. He generally finds the government's political line on autonomy acceptable. Personally, he has no reason to feel offended, since he served as Knesset speaker when Burg was made head of the negotiating team.

This fact facilitates things, but does nothing for the hitches that sometimes cause not a little damage. A foreign minister who serves as an aural witness

only in the central political issue cannot represent this issue in the most effective manner. If it is accepted that one of the Foreign Ministry's main functions is information [haabara] to diplomats and for public opinion, a situation has now been created in which the ministry must explain what others have determined.

It is worth bearing in mind that the idea of establishing a separate ministry of information has come up in several governments. The chief argument against taking the information powers from the Foreign Ministry was that those who implement can explain themselves best. This argument still holds, but things have now changed unrecognizably. It is precisely the main political powers that have been taken from the Foreign Ministry; what remains is information.

One sphere in which this anomaly is acutely conspicuous is that of the normalization of relations with Egypt. It is in Israel's interest to separate this process from the autonomy negotiations. There are those who maintain that the separation between these matters--even though this was not the original aim--serves the goal well.

On the surface, this is a reasonable contention. But in fact the present situation does not meet the [country's] needs and is actually in conflict with them. Whether or not we like it, the normalization process is indissolubly linked with the contacts on autonomy. The fact that the addresses are different makes progress very difficult to attain in both areas alike.

There will be those who say that this description is inexact since the Foreign Ministry staffers are taking part in the talks through Mr Ruth Lapidot. They are preparing background papers, legal opinions, and they are consulted. All this is of course so, but all the consultations, opinions and reports cannot serve as a proper substitute for the direct conduct and guidance of the negotiations.

A final instance of this occurred about a week ago in Washington. The media there reported on a certain [Israeli] concession in the talks. The Foreign Ministry was interested in cultivating this belief, in order to blunt the sharp criticism about Jerusalem's intransigence. Then along came Minister Burg and declared that Israel had made no concession, and the few information points Israel had managed to gain melted away as if they had never been. This kind of thing could never happen if both the right hand and the left hand were attached to the same body.

I asked senior Foreign Ministry officials why Minister Shamir puts up with this state of affairs. That is how he is built, came the reply. Even though he is not satisfied, either personally or substantively, he will not publicize his viewpoint. He is an easygoing person, quiet and serious, and not looking for battle.

It is very nice to hear that. This kind of personality in the governmental jungle is a real treat. The problem is precisely that Shamir's attitude on this issue must not be a personal one. This is not a private matter between Burg and him. The autonomy matter is a crucial one and will largely determine our future. There must be no compromises in the way it is dealt with.

There were reasons that brought Burg to the autonomy issue. Those reasons are no longer valid. Burg should be thanked for his work and asked to return to his very busy ministry. In this way the position will be restored to its natural place. If Shamir does not insist on this, he may do well by Burg, but not with the nation.

## BRIEFS

**JORDAN FUNDS FORBIDDEN**--The military government has forbidden the Hebron Charity Association from using 40,000 dinars received from Jordan. For a long time the military administration has not imposed restrictions on bringing funds from Jordan, on the contrary, they were received willingly. Sources in the military government explained to our correspondent, Pinhas 'Inbari, that on this occasion the funds were received without having been previously approved by the military government. [Text] [TA200914 Jerusalem Domestic Service in Hebrew 0700 GMT 20 Oct 80]

**PAPER SEEKS EXPLANATION**--The AL-MITHAQ newspaper published in East Jerusalem obtained an order nisi from the High Court of Justice today instructing the defense minister and the military commander of Judea and Samaria to explain why they should not allow the distribution of the newspaper in the West Bank region. Judge Shlomo Levin who issued the order nisi gave the respondents 30 days to give their reasons. The suit, filed by AL-MITHAQ, which called itself "a political daily," and its owner and chief editor (Mahmud 'Ali al-Khatib), said that on 27 September 1979 they asked the military government headquarters in the West Bank for a permit to distribute and sell the newspaper in the West Bank zone. The appellants complain that until the present day they have not received a reply to their request, which is contrary to the rules of good administration and indicates a lack of good faith. They point out that the newspaper does not serve as a mouthpiece for any party or organization and that all the articles and reports published in it undergo censorship. The suit adds that the authorities discriminate against AL-MITHAQ in contrast to other newspapers, such as AL-QUDS, AL-FAJR and ASH-SHA'B, that were permitted to be distributed in the West Bank. The newspaper and its editor complain that the fact they did not receive the permit stems from arbitrary decisions guided by irrelevant reasons which are detrimental to the appellants and to the freedom of expression. [Text] [TA201308 Tel Aviv ITIM in Hebrew 1000 GMT 20 Oct 80]

**LAND PURCHASED IN SAMARIA**--Recently Jews have purchased tracts of land from Arabs in Samaria and they are using them to construct the industrial zone of the Samaria regional council as well as private homes. Our correspondent Avraham Ben-Melekh has learned that the Israel Land Authority has purchased an area of about 70 dunams opposite Qarne Shomron to establish the industrial zone. A group of settlers from Qarne Shomron has also purchased, privately, land on two hills in that area. They have already constructed a road to the hills and will begin to build houses soon. [Text] [TA210623 Jerusalem Domestic Service in Hebrew 0500 GMT 21 Oct 80]

CSO: 4805

GULF WAR PROMPTS ARAB ALLIANCE IN AREA

GF081140 Kuwait AL-QABAS in Arabic 7 Oct 80 p 1

[Editorial]

[Text] Arabs unite during wartime and disunite during peacetime. There are many examples in ancient and contemporary Arab history confirming this fact. The Iraqi-Iranian war presents new proof for this fact that at least applies to the Gulf region.

For years, Gulf Arabs have been unsuccessfully discussing the question of Gulf security, although they all agree that Gulf security is the sole responsibility of the region's states and not the Western powers.

All Western plans on Gulf security--beginning with the 1955-1958 Baghdad Alliance until the last British soldier was withdrawn from the region in 1977, when the British bases in Oman were evacuated--have always failed.

During the time of the shah, Iran claimed it was the backbone of Gulf security. In view of this Iranian stand, the question of the aims of Gulf security remained suspended. Thus, who threatened the security of the Gulf? Was it Israel? Was it the United States? Or was it the Soviets? Who was it?

However, during the time of Khomeyni, Iran has presented the answer to Gulf Arabs on a silver platter. Iran has unwittingly convinced the Gulf Arabs that the real threat to Gulf security is the Persian threat itself with all the popularity it has and its exciting impact.

The primary outcome of the Iraqi-Iranian war will be the beginning of the formation of an Arab Gulf security alliance without discussions or abuses and without indulging in legal or juridical details.

Thus, Iraq has found that its strategic support in this war, which has been prolonged, has suddenly stretched from Amman to San'a' and from Jiddah to Ra's al-Khaymah, which is near the Strait of Hormuz.

The continuation of this war means that the issue of Gulf security is being implemented and transformed into a status quo, not only during this war but forever.

KUWAIT

BRIEFS

JAPANESE MODERNIZATION OF REFINERY--Kuwait, 5 Oct (KUNA)--Kuwait today signed a contract with a major Japanese company for the implementation of a project for the modernization of the largest oil refinery in Kuwait, the Al-Ahmadi Port Refinery, south of the city of Kuwait. No information is yet available about the value of the contract which was signed between the Kuwait National Petroleum Company--a state-owned company--and the Japanese company J.J.C. A spokesman of the Kuwaiti company said the plan to modernize the refinery at Al-Ahmadi Port "is in line with the policy of industrializing oil to meet local needs of energy" in Kuwait. The aim of the project is to provide liquid fuel to electric power stations and the petroleum industries. The spokesman said that Kuwait decided to modernize the refinery "after extensive studies of Kuwait's needs of energy until 1990." The project is expected to be completed during the first quarter of 1984. [Text] [LD051532 Kuwait KUNA in Arabic 1230 GMT 5 Oct 80]

CSO: 4802

# MINISTER DISCUSSES FOOD, HEALTH ISSUES

Beirut AL-SAFIR in Arabic 7 Aug 80 p 6

[Text] The minister of economy and trade, Talal al-Mar'abi, said yesterday that he gave instructions to the Grain and Sugarbeets Bureau to resume the distribution of sugar to the cooperatives that have committed themselves to the distribution guidelines set by the bureau. Al-Mar'abi confirmed that the ministry has no intention of raising the prices of subsidized sugar at all.

Al-Mar'abi added in a statement yesterday: "I have requested the Consumer Protection Agency to prepare schedules of distribution operations undertaken by the cooperatives in coordination with the Cooperative Union, which assumed responsibility for supervision of the delivery of sugar to the cooperatives. Quantities will be increased to the cooperatives that demonstrate abidance by the guidelines set by the ministry.

"With regard to the municipalities, quantities will be distributed to them according to the schedules prepared by the governorates in conformity with the guidelines to be observed in the provinces."

Yesterday, in his office, the minister of economy and trade dealt with supply, health and insurance issues. He had a number of appointments with senior officials of the ministry, and examined with the director general of the Grain Bureau supply policy and measures for the proper distribution of sugar.

In response to a question about the supply policy the government will follow, al-Mar'abi told AL-SAFIR that the policy of subsidy currently followed costs the state nearly 250 million pounds, which will gradually increase with the increase of the volume of consumption of both sugar and wheat.

He added: "In spite of that, the policy is not achieving its intended result, because of violations occurring at the mills and elsewhere, resulting in the smuggling and sale of wheat in the black market for fodder.

"In the face of this situation, we decided, shortly before the acceptance of the government's resignation, to hold a working session with President Sarkis to study supply policy proposals and approve a plan of action. However, the meeting did not take place."

Al-Mar'abi mentioned that "there are three choices with regard to supply policy, ranging from full subsidy as at present, to 50 percent subsidy, to abolition of subsidy.

"I am for the policy of decreasing the subsidy, taking measures that would force the mills and bakeries to abide by prices set for bread, and checking the black market operations of a number of merchants and mills."

In response to a question about adjusting the milling fee allowed to the flour mills, al-Mar'abi said: "The mill owners have already asked for a raise in their fee from 76 to 125 pounds per ton. Technicians of the Grain Bureau were charged with preparing a study of this matter. In light of it, we decided to raise the fee to 104 pounds for 1 ton.

"On this basis, we renewed the contract with the mills to resume milling at the set fee pending approval of the new supply policy."

In reply to a question about health matters, al-Mar'abi [who is also minister of public health] said: "We had been scheduled to meet this afternoon with American University officials to sign an agreement with the university hospital regarding the open-heart surgery center, following the decision of the cabinet to allot 6 million pounds for the said center. However, the meeting was postponed until next week."

About the new pricing policy for medicines, al-Mar'abi said: "The pricing of medicines will be announced very shortly. The delay in completing the price list can be traced to the failure of the importing companies to submit the lists requested of them. I made a decision to prohibit these companies from importing medications, because of their failure to submit the information requested of them.

9587

CSO: 4802

ISLAMIC COUNCIL REACTS TO JUMAYYIL'S CALL TO LIBERATE LEBANON

Beirut AL-SAFIR in Arabic 5 Aug 80 p 4

[Text] The Islamic Council announced that the recent speech of Bashir al-Jumayyil has great significance, and will prompt Islamic forces to reconsider their positions. It affirmed that the situation calls on the officials concerned to strictly adhere to their legitimate authority and to defend it in a determined way in keeping with the principles of national reconciliation.

This came in a statement issued by the council, in which it said: "The administrative board of the council has taken note of news media accounts of al-Jumayyil's speech, in which he announces the formation of an 'Army of Free Lebanon,' in place of the 'Militias for the Liberation of Lebanon'; the existence of a plan about to be implemented; and the rejection of any talk of dialogue or reconciliation before the liberation of all of Lebanon."

The statement added: "This speech was preceded by an attempt to make an illegal broadcast on Channel 12 and by action to assert militarily the authority of one party [the Phalange] through what was called the 7th of July movement. All this took place at a time when the regime was trying to form a government of activists, to undertake implementation of the announced principles of reconciliation.

"The Islamic Council considers that this speech has great and serious significance. It will drive the Islamic forces not only to be cautious, but also to re-examine all their positions and their methods of reacting to what is going on in Lebanon and the region. Consequently, the council will seek alliances with other forces faithful to the unity of Lebanon in order to confront plans hatched against this country and readied for implementation.

"The government crisis appears today more serious than in the past. It calls on those concerned to make serious and determined efforts to abide by the legitimate system, defend it and assert its existence. The positions and processes of the legitimate authority must be made completely clear, and government officials must abide by them.

"The sound national principles we have repeatedly advocated to complete rebuilding the army and promulgate the decree on army reorganization;

to build a just and strong state; and to achieve national reconciliation through the announced principles of accord, constitute a framework we will not give up or be complacent about."

The statement continued: "While the Israeli army defies the United Nations and its resolutions, decides to move his capital to Jerusalem, and, at the time deceitfully talks about peace in the region, we, in Lebanon face a similar deceptive situation which we must not succumb to. The legitimate authority is called upon to recognize the facts and to be aware of both its supporters and enemies.

"The citizens and their national leaderships must also recognize both the supporters and enemies of the legitimate regime. The citizens must base their attitudes on such recognition and on support for the legitimate authority, provided this authority helps its own self, not through silence as we have regretfully observed, but by rejecting and challenging what has taken place [in Phalangist areas].

9587

CSO: 4802

GEORGE HAWI INTERVIEWED ON CIVIL WAR, CP CONGRESS

Havana TRICONTINENTAL No 67-68, 1980 pp 59-67

[Interview with George Hawi, secretary general of the Lebanese Communist Party, by Moises Sa'b; date and place not given]

[Text] In the last few years, Lebanon has become the area in which the Palestinian Revolution, the National Lebanese Movement, and the progressive forces of the Arab world are launching their bloodiest battle against imperialism, Zionism, and reaction.

The struggle in southern Lebanon is so intimately related to the Arab people's cause, and especially to the Palestinian question, that it can be said that the fate of the entire Arab world will be decided there.

For that reason, TRICONTINENTAL has been following developments in Lebanon with interest and has offered its readers the opinions of outstanding Arab personalities in this respect.

Today we bring to our pages--in an interview by newsman, Moises Sa'b especially for TRICONTINENTAL--George Hawi, secretary general of the Lebanese Communist Party, who analyzes the historical and ideological roots of the crisis in Lebanon and speaks to us about the ramifications of the struggle taking place in his country.

[Question] We would like to know your opinion about the present situation in Lebanon.

[Answer] There is still a very complex and difficult situation in Lebanon. For 5 years now we have been carrying on a difficult struggle against the imperialists and Zionists and against reactionary plans related to the Middle East crisis and the situation in Lebanon.

The Lebanese crisis is intimately related to the crisis in the Middle East. During the 10 years from 1970 to the present, immediately after the liquidation of the Palestinian presence in Jordan and after the death of President 'Abd-al-Nasir, Lebanon became the most important area of the confrontation with the imperialist-Zionist front, which tried to solve the Middle East question on the basis of the interests of imperialism, Zionism, and the reactionary Arab classes. Because

there is in Lebanon an essential presence of the Palestinian Revolution and a national progressive movement which forms a united front, all the conditions are present there for trying to influence Syria's position.

For this reason, in 1975, during the preparation of the Sinai accords, the reactionary Lebanese forces--in complete cooperation with Israel, the United States, and Sadat--began to carry out their plot against the Palestinian Revolution and the Lebanese progressive movement.

During the first years of the civil war, the situation was very difficult and, after a brief period of calm, of stability--no more than 4 or 5 months--another military provocation took place against the Palestinian Revolution, the Lebanese National Movement and, at the same time, against the Syrian Army. This new confrontation was also related to preparations for further escalation of the plot in that region: the visit of Anwar al-Sadat to Israel. During these preparations and immediately after that visit, Israel began its great offensive against southern Lebanon--at present it occupies a large part of this area--and at the same time, it continued its attacks and provocations.

At present we are facing a permanent Zionist aggression. In addition, we must also confront what they call the Lebanese Front--in other words, a reactionary and fascist front which is continuing its political pressures and its military aggression in order to control Lebanon and divide up its territory, creating a fascist state in complete collaboration with the Zionist regime of Israel. Their position is against neither Israeli aggression nor the plot of the internal reactionary forces, but against the Palestinian Revolution and its presence in Lebanon.

Israeli aggression in the south is becoming increasingly strong. Every day hundreds of people in the Lebanese quarter and in the Palestinian camps are forced to abandon their lands and their homes. There is a steady wave of new victims of the attacks, and there is great pressure from the government, from UN forces, and from all the country's reactionary forces against the Palestinian Revolution so that they can obtain concessions from the Palestinians and force them to get out of southern Lebanon.

There is great danger and our Lebanese National Movement, along with the Palestinian Revolution, will have no other choice but to fight, politically and militarily, against that aggression, to defend the southern region, and to continue our military action to free the area occupied by Israel today either directly or through the traitor Sa'd Haddad.

Last August our comrades in the south launched a big and very important battle against the Zionist aggressors. Five of our comrades died after an hour of fighting against 250 Israeli soldiers who landed and attacked one of our bases. Israeli propaganda tried to ignore the presence of progressive Lebanese forces among the people of the south, tried to underestimate the position of the Lebanese people, and also tried to make it seem that this attack, this battle, had only been between Israel and the Palestinian fighters. However, after this heroic action and that of the following night, Israel was forced to admit openly that its troops had had to fight a big, bloody battle, and then it could no longer hide the presence of the Lebanese progressive forces. On that occasion, five of our comrades died because of the Israeli attack; and before that, in July, other comrades in another part of

southern Lebanon also fought off attacks. Our party, along with the National Lebanese Movement, is with that essential force in the south which is fighting for the unity of Lebanon, for the liberation of that area, and against the Israeli occupation.

[Question] What effect have the Camp David accords and conversations had on the Lebanese crisis?

[Answer] The Camp David accords are now behind all this escalation, behind this whole situation. Lebanon is the "arena," the second objective, if your will, of these accords. Camp David may or may not be successful in the measure that its agreements may or may not be successful in Lebanon. Why? Because, unless the Palestinian Revolution is liquidated, there will be no one, not a single Palestinian, capable of joining the talks between Israel and Egypt on self-determination as a solution to the Palestinian problem. If they succeed in liquidating the Palestinian Revolution, it will be easy for them then to find some traitors to present as deserters from the Palestinian people.

This is the first aspect. The second is that the united position of the Arabs against the Camp David accords and the Baghdad summit will not remain the same if the Palestinian Revolution is liquidated, because the reactionary Arab regimes, forced to take this position against Camp David, now fear for their own interests. We can say that they are under pressure from their own peoples, who really are in sympathy with the Palestinian Revolution. Therefore, if they succeed in betraying it, they would have to fear both the Palestinian Revolution and their respective peoples. If the Palestinian Revolution was destroyed, reactionary Arab regimes like Saudi Arabia, those of the Gulf and others would be more free to participate, along with President Sadat, in the Camp David accords.

If the Palestinian Revolution in Lebanon is destroyed, Syria's position would be weakened. Therefore, pressure against the Lebanese situation is also directed at crushing the Palestinian Revolution and influencing Syria's position.

The American maneuvers to have King Husayn, Saudi Arabia, and other Arab countries support the Camp David accords have not been successful because of the presence of the Palestinian Revolution, but if that revolution should disappear, then King Husayn, as well as other reactionary forces in the Arab countries, would not continue to maintain his position against that treaty.

This means that the key to the question at this time is Lebanon. It is because of this that the escalation of Israeli aggression has begun, along with President Sadat's initiative. The interests behind the Camp David accords are trying to see that these attacks are not stopped, but rather that they continue and gain new territories, new positions, every day. We are now on the defensive, and the fact that we are able to maintain our positions is a positive factor.

After the Camp David accords, all the pressure of the United States, Israel, and Sadat is concentrated on Lebanon to break up the Steadfastness Front, which opposed the Camp David treaty. Begin said categorically in the Israeli parliament that he will continue his aggression against Palestine and Lebanon, and he invited President Sarkis to visit Israel, or failing that, to sign in Lebanon itself another treaty similar to that of Camp David. This statement shows very clearly what

Begin's intentions are: he would like a new treaty with Lebanon, similar to that of Camp David, and the price of this agreement would be, first, the Palestinian Revolution and, second, the independence of Lebanon, the unity of the Lebanese nation, and support of the Lebanese profascist movements. This means imposing on the country a reactionary fascist regime having good relations with Zionism and under its domination, against the will of the Lebanese people and that of the other Arab peoples of the region.

We are sure now that Lebanon is the second phase of Camp David; in Lebanon, Camp David can continue or stop, and our decision is to stop it and to maintain our position, to fight the Israeli aggression and not to allow the Lebanese Government to surrender to Israel's demands, its desires, its conditions. And this is, at the same time, the decision of the Palestinian Revolution.

[Question] Does the Lebanese problem have any religious roots?

[Answer] There are some religious facets to the problem, but this is not its base, its content. Essentially it is a problem of classes and of national tendencies.

The Lebanese bourgeoisie, especially the financial oligarchy, has tried in the last 10 years to solve its crisis in the economic, social, and political spheres against the interests of the working class and the peasants and of the middle and lower bourgeoisie. The Lebanese political system is a clerical regime whose basis is religious discrimination. For example, not everybody can be elected president of the republic: for this one must be a Christian, and preferably a Maronite Christian. In general, all the leaders of the political regime are elected according to religions. In this distribution, the Maronites obtain the key positions, such as the presidency of the republic, leadership of the army, and the majority in parliament. It is apparently a clerical combination, but in reality this distribution came about in 1943, and since then there has been a great change in the population; there is a great transformation in social and economic levels, as well as in religious and political levels. This Maronite domination is one of class content, because the Maronites are dominant within the bourgeoisie. This does not mean that there is no Moslem bourgeoisie, but the latter is not the dominant force.

Lebanese industry has developed in the last 10 years, so that many factories, shops, and industries have been built along the coast. This region, in the last century, was also inhabited traditionally by Christians. Because of those factories, workers from other regions of the country, especially from the south and east--Moslems in general--came, not only to work in these centers, but also to remain in the region, to inhabit this part of the country. Others--Christians in general and from Mount Lebanon--also worked in those factories, and this brought about a new unity in Lebanon, a unity of the working class on the basis of its own interests rather than on the basis of any faith or religion. The political regime and the dominant religious forces became fearful on seeing this unity among the working class in the struggle for its interests.

This is one aspect. The other is that the economic crisis in Lebanon reached into all the important levels of the middle and lower bourgeoisie of the country, and these people also began to fight against the authority and domination of the financial oligarchy. Its struggle was also that of the working class.

Since the working class is most organized on the union level and in the leadership of our party and other forces, the struggle of the lower and middle bourgeoisie was related to the cause of the working class. The regime began to lose the historical stability which had come from domination by the lower and middle bourgeoisie. In view of the development of these events, the only path for the upper bourgeoisie to follow was fascism, through which it tried to reestablish its economic, political, and religious domination. In Lebanon this fascist solution has taken a religious form because of the historical contradiction and the interrelation between the monopoly of class and the monopoly of religion and faith. On one side is the Maronite bourgeois domination over the entire bourgeois class; on the other, the workers and peasants--the majority of them Moslems--along with most of the Christians. Finally, the clerical forces have not been able to conceal the class content, the social content, of this struggle.

On this subject, we must mention also that because there are thousands of Palestinian workers in Lebanon, as well as hundreds of thousands of Syrians who are working in these factories and businesses along with the Lebanese working class, there is another interrelation between the class struggle and the national question, concerning the history of Lebanon.

We must also say that most of the working class which comes from the south and the east has continued the fight against Israeli aggression, counter to the policy of the state and the Lebanese authorities toward those attacks. At the same time, the struggle continues on the economic, political and social level, achieving an identity between the national question and the principal objectives of the working class struggle.

There is, consequently, a certain appearance, certain phases, a certain facade of clerical and religious aspects, but the true content of the Lebanese crisis of 1974-75 is a class content, a social content.

[Question] How will the balance of forces develop in the future?

[Answer] I can say frankly and with certainty that everything depends on two principal factors. First, it depends on whether or not we are able to stop the progress of the Camp David treaty. If we succeed in stopping it, the balance of forces will incline completely in our favor, first throughout the region and then in Lebanon, as a result.

The second factor is closely related to the first and is the unity within the progressive and anti-imperialist rank and file of the Arab world. This unity is the most important condition in creating a new correlation of forces in favor of the Arab national liberation movement. We say this because we are sure that international opinion is on the side of the interests of those who are fighting for their independence, for social progress, and for peace. For that reason, creating this new situation depends solely on our position, on the position of the progressive elements in the Arab countries. We have an experience and a very clear example in Ethiopia. The balance of forces around the Ethiopian question and its revolution was once against it, but when that country's revolutionaries decided to keep up their fight against imperialism and reaction, they were successful, and then they saw the socialist countries alongside them--the Soviet Union, Cuba and other who helped them and offered them all the assistance they needed to win.

This means that the progressive Arab forces must make a decision. The international situation is on our side; we have only to unite and advance in our struggle against imperialism, against Israel, against the Camp David treaty.

[Question] Can you tell us briefly about the chief results of the Fourth Congress of the Lebanese Communist Party?

[Answer] For us this congress was the most important event in the life and history of our party, and we closed it in a situation which was very difficult for the security and political life of the country. We discussed in depth and at length all the questions concerning the Lebanese crisis and the future of our country and, at the same time, the future prospects of the Arab national liberation movement. We also discussed the international situation and the liberation movements in Asia, Africa, and Latin America.

The three or four most important subjects discussed were those concerning Lebanon. We analyzed the internal crisis of the capitalist regime which gave way to fascism. To do this we presented all the documents and facts which prove the economic roots of the fascist trends. Our congress called for unity among the forces which advocate peace in Lebanon, its national independence, its democratic progress, and its good relations with the Arab world to unify the entire struggle against the aggressive plans of the imperialists, or Israel, and of the reactionary forces of the country. Our call is for the broadest cooperation among the forces to save the unity of the country, its national independence, its Arab character, and its democratic development. Our decision is to continue our struggle alongside the Pales-  
tine Revolution for the purpose of defending its existence and to mobilize the masses for the political and military struggle against Zionist aggression, with the mission of liberating the south from occupation by Israel and its lackey, Sa'd Haddad.

At the same time, we called attention to the new tendencies of the government and of the president of the republic, to prepare the country for military dictatorship if the fascist plan of isolation does not succeed. In this other plan for military dictatorship, we see that the Lebanese bourgeoisie will play the same role it played in the fascist plan. And this will not, of course, be in the interests of the majority of the people, or even in the interest of many levels of the bourgeoisie itself. The example of Greece is very clear in this respect; Karamanlis himself, 10 or 12 years ago, brought the colonels to power to put an end to the democratic process of the country; however, he was one of the victims of the colonels' regime and was forced to fight later on to get rid of that government, but Greece had already fallen many years behind. We are speaking now very openly with the Lebanese masses and especially with the bourgeoisie, telling them that they must not repeat that example.

As for the Arab world, I want to say in a few words that we support its positions and decisions against Camp David, and I see that the most important question is to stop the development of that treaty. But at the same time, we are studying the crisis in the Arab national liberation movement, and we see that it is a crisis of leadership, related to the class nature of its leaders. The lower and middle bourgeoisie, under the leadership of this national liberation movement, are trying to keep it in a centrist position: with one face toward imperialism and the other toward the masses, development and communism, against the interests of the revolution

itself. This tendency, in some Arab countries, is trying to eliminate democracy, keep the masses out of the struggle, and continue this vacillating position, never firm, incapable of fighting against and winning victory over an attack such as that directed by the United States, Israel, and Sadat.

In addition, we see that this crisis is continuing because the truly revolutionary forces, the communists and others, are not completely playing their role, the historical role of the working class, and for that reason they are also responsible for this leadership crisis in the Arab national liberation movement. The participation of the working class in the leadership of the national liberation movement is not something which we should hope for, which we should beg for, saying, "Give us our role," but a right which we must take into our own hands and which depends in the first place, on the truly revolutionary program of the most advanced forces, among them the communists, to solve the national question truly and satisfactorily. If the communists do not take the national question, the question of the liberation of Palestine, of Arab unity, and social progress, into their own hands, they will leave it in the hands of the lower and middle bourgeoisie, and the latter will take it from one defeat to another.

We can say very frankly, from the revolutionary point of view, that our responsibility is very great, because the bourgeoisie is not capable of solving the national problem; on the contrary, they have led it down the path of treason. Nor is the lower bourgeoisie capable of solving this problem; only the working class can play that role, since we can see that the Camp David treaty has a social content, which is a coalition of classes against the national liberation movement among Arabs in general. In Africa, Asia, and other parts of the world, the truly revolutionary role of the working class is recognized as the force which is replacing the lower bourgeoisie.

The most important question we discussed in our congress was this leadership crisis in the national liberation movement in its two aspects: on the one hand, the lower bourgeoisie as a class and as a political organization, and on the other the truly revolutionary forces and, at their head, the Arab communist forces.

[Question] Can you tell us what is the role of the territorial division made by Sa'd Haddad?

[Answer] Sa'd Haddad is a tool in the hands of Israel to conceal the Zionist occupation, expand it, and annex that territory which he and Israel occupied in the middle of the country--occupied now by the isolationist fascist forces--so that they can in the future dominate all the national territory. For this reason, we believe that this "state" is very dangerous now and will continue to be so in the future. Therefore, we are calling on all the Lebanese people to fight against this maneuver, this separatist, divisionist, and fascist "state," and we urge all the Arab countries to face this danger and be on guard against it. Unfortunately, there is no truly patriotic and national position in the Arab countries against this danger, not only within the reactionary forces, but also within the patriotic and progressive forces. To underestimate this "mini-state," this puppet state, is, in our point of view, very dangerous, because it concerns a phase, an aspect of Israeli occupation in an Arab country. This is the first time Israel has shown this tendency in its occupation.

MERGER OF THREE NASIRITE ORGANIZATIONS ANNOUNCED

Beirut AL-SAFIR in Arabic 2 Aug 80 p 3

[Text] It was announced yesterday that a new Nasirite organization has been formed under the name of al-Tanzim al-Tali'i [Vanguard Organization] through the merger of three Nasirite organizations in Lebanon. The three were: al-Harakat al-'Arabiyah al-Tha'irah--Fasa'il al-Fida' al-'Arabi [The Arab Revolutionary Movement--Arab Fedayeen Cells], the Arab Socialist Union Party and the Socialist Union--Forces of the Revolution.

This was announced at a press conference held at Hotel Beau Rivage yesterday afternoon. In attendance were 'Ali al-Hajj of the Arab Revolutionary Movement, Samir Kabrit and Husayn al-Ahmar of the Socialist Union Party; and Ahmad Hammud of the Socialist-Union. A number of the other leaders of the new organization were also present.

At the beginning of the conference, the secretary general of the new organization, Mr Al-Hajj, welcomed the newsmen, praised the role of the press and the role of its martyred dean Riyadh Taha, and asked for the observance of a moment of silence in his memory.

Mr Kibrit then read a statement which affirmed that "The advance of the forces of the revolution will not be stopped," and announced the formation of the Vanguard Organization. He said: "This organization is progressive and forward-looking throughout Lebanon. It constitutes a call for the unification of forces under circumstances that cannot bear any delay. We must today adopt our unification slogan of 'Unity of doctrine and strength of unity above anything else.'"

At the end of the conference, Mr Hammud answered questions. Referring to the organization's joining the Central Political Council, he said: "Our documentary statement calls for the Nasirites to play a role both within and outside the council. However, we demand the formation of a central council, representing all nationalist parties operating in Lebanon."

9587

CSO: 4802

## PHALANGIST PLANS, INTERNAL CONFLICTS ANALYZED

Kuwait AL-WATAN in Arabic 15 Sep 80 p 15

[Report from Beirut by AL-QUDS (Jerusalem) PRESS: "The Phalangist State Appointed Its Ambassador al-Ma'iki in Washington; Three-Story Presidential Palace Near Juniyah"]

[Text] AL-QUDS PRESS has learned from sources close to the Phalangist Political Bureau that the basic steps have been taken under the tentative plan to proclaim a Phalangist state under the name of the Free State of Lebanon, and that the timing of the announcement depends on the completion of the final plan. This involves settling disputes among rival centers within the party, and consulting personnel at the front facing National Front areas.

### The Centers of Amin and Bashir

Regarding the existing disputes within the party and the political bureau sources paint the picture as follows:

There are two basic centers within the political bureau.

The first center is represented by Amin al-Jumayyil who is concerned about maintaining the existing balance, in a manner that would permit him to retain his political and military influence within the party and qualify him to carry on a dialogue with the other parties. This is manifested in his concern to maintaining a good relationship with the National Liberal party [NLP], led by Camille Sham'un, chairman of the Lebanese Front. Amin al-Jumayyil's sphere of influence is tied to that of a group within the party, which includes moderate Phalangist figures like Deputy George S'adah and Attorney Karim Baqraduni. Both are members of the Political Bureau and are playing a role in mending relations between the Phalangists and Damascus and between the Phalangists and other Maronite and Moslem political forces. Among these forces are Franjiyyah's bloc and the Islamic Grouping [coalition of Moslem political leaders].

The second center is represented by Bashir al-Jumayyil who is trying hard to settle the situation to his advantage, using his full authority over the effective militias of the party. The 7 July military movement sought to bridle the NLP, and is linked to plans to subdue all political and armed minorities in the areas where the separatists are in control. This center is always trying to maintain the initiative and to place Phalangist political leaders before accomplished facts.

## Bashir's Steps

Sources mention in this regard that new steps Bashir al-Jumayyil is preparing to implement include the following:

- \*Building a presidential palace for the new mini-state in the area of al-Rabiyah near Juniyah. It is to consist of three floors: two will be underground and the third will be above ground. The palace will be equipped with rapid warning electronic devices.

- \*Printing new identity cards; building centers for real property and vital statistics agencies; and issuing tax collection procedures.

- \*Establishing the practice of raising the flag of any country whose ambassador visits the Free State of Lebanon. An orchestra is to be organized to play the national anthems of the Free State of Lebanon and of the foreign country.

## Ambassador in Washington

- \*The Phalangist party established an office abroad following the events of 7 July. This office is tantamount to an embassy. A person called Antoine Ma'iki has been appointed ambassador of the Phalangist mini-state in Washington. He has good relations with Harold Saunders, the Undersecretary of State for Near East Affairs.

- \*Dictating compulsory military service, and prohibiting travel abroad, unless the militias permit it. Landed property is to be sold only to Maronites, and an 80 per cent tax on sales contracts is to be imposed.

## Mobilization and Explosion

On the other hand, eyewitnesses report that Sherman and Centurion tanks were advancing towards al-Jabal to take up positions on the borders of Karawan and Upper al-Matn. Heavy movements of Phalangist militia in the capital and the suburbs have also been noted. A battery of heavy artillery directed towards West Beirut and the al-Shuf area has been set up.

Arab security forces are expecting the Phalangist forces to begin a concentrated attack in some areas, especially in al-Shuf and Upper al-Matn, while the Zionist enemy carries out an all-out attack in the south.

## Inducing the Syrians To Leave

Informed sources state that about 60 percent of the members of the Syriac Church have left the eastern area of Beirut and are headed abroad. Thirty percent of these arrived in the western part of Beirut and a similar percentage emigrated to European countries.

## The Position of al-Jumayyil, Sr

At present, the position of Party leader Pierre al-Jumayyil, the father of the two feuding brothers, is like that of one who is trying to swallow a bitter pill. On one hand, he is concerned about preserving the unity of the family, and, accordingly, that of the party under the leadership of the family. On the other hand, he is

interested in achieving party control over the Christian areas in their entirety under a cohesive command. Pierre al-Jumayyil appears to be concerned about maintaining good relations with the Lebanese Front and with its chairman, Camille Sham'un. He expresses his fears that the front may collapse as a political organization following continued Phalangist steps to control Maronite decisions. This would bring about the isolation of the Phalangist party from its allies, to say nothing of the party's existing isolation from other political parties.

Therefore, Pierre al-Jumayyil is trying to prepare suitable conditions for proclamation of a Phalangist mini-state. He considers such a proclamation as a weapon of last resort in the hands of the Phalangists. It is to be used only in the final stages, after complete political preparations for it have been made on the local and international scenes.

#### Continued Developments

Political observers in the eastern areas are not betting on a continued state of relative balance within the Phalangist party. They expect feverish developments to continue inside and outside the party to carry out the militias' plan to assume control over political and military decisions. They believe that Bashir al-Jumayyil's faction did strengthen its influence considerably after the 7 July massacre, in which the militias of the NLP which oppose Bashir al-Jumayyil's course were liquidated. This means that full control by Bashir al-Jumayyil is approaching, and that this would inevitably expedite the proclamation of a Phalangist mini-state and the announcement that it will be tied to the border strip area. This would also lead to preparations for an extensive eruption whose purpose is to tie this mini-state with the area of Jazin and al-Jabal through al-Shuf.

8592

CSO: 4802

PHALANGISTS ARRESTED, WEAPONS CONFISCATED

Kuwait AL-WATAN in Arabic 22 Aug 80 p 11

[Article: "Resistance Discovers Phalangist Network Involved in North Lebanon Assassinations and Plundering; Hablas and Mahbash Confess to Several Actions"]

[Text] The Palestinian resistance has announced the discovery of a Phalangist network operating in nationalist areas of North Lebanon. The general leadership of the popular front held a news conference and presented two members of the gang, Ahmad Hablas and Walid Mahbash. The front said that various weapons were found in their possession.

Confession

Following their arrest they confessed to membership in the Phalange party and revealed plans to assassinate several Zgharta personalities, the most outstanding being deputy 'Abdallah al-Rasi and his wife, Sonia Franjiyah, Philip Habib, commander of Zgharta's militia, and Abu Robert, a senior militia officer.

They also admitted to participating in a number of murders, armed robberies, thefts, and bombings, including the following:

1. Robbing and murdering the bank teller, Munir 'Oda, in his house in the Bab-al-Hadid area
2. Blowing up Shawki al-Rasi's printing shop on Centrale Street (al-Tall area)
3. Stealing 30,000 Lebanese lire from a teller near the French bank
4. Breaking into Dr Lahud's clinic and stealing 5,000 lire
5. Breaking into a store near the statue of Abd al-Hamid Karrami in Tripoli and stealing 7,000 lire
6. Bombing a cafe where Zartawis gather
7. Stealing an automobile belonging to "'Azzar' Azzar, a 1979 Fiat 132

8. Stealing 3,000 lire from Dr Rafik al-Mara'bi
9. Breaking into Dr Kasdi Al-Shahal's clinic and stealing 1,500 lire
10. Blowing up a number of Zgharta stores in the al-Zahraya area.

#### Financial Inducements

In answer to the journalists' question, "How did you first become linked with the Phalange?," Ahmad Hablas, 28, replied, "I was visiting a number of people, Sa'id 'Allam al-Din, Mustafa Hablas, Ma'n Barbich, and someone called Adib, and they were getting in touch with Akram in al-Ashrafiya. They offered me financial inducements to work with them; they also got in touch with Walid and Khalid Kotrayib and two Syrians called 'Abd-al-Ra'uf and 'Ali. They suggested that we get in touch with the Phalange so as to participate in destructive activities in exchange for money. So the agreement was made. They tempted us with money, and I am very sorry for these deeds. We distributed the money we stole among us." Concerning assassinations he said, "We were supposed to be only the lookout in exchange for 5,000 lire, but we refused because the amount was insufficient."

9669

CSO: 4802

# PHALANGISTS ELIMINATE THEIR COMPETITION

Kuwait AL-RA'Y AL-'AMM in Arabic 17 Aug 80 p 18

[Article: "Phalangists Destroy Last Rivals; Sharbal removed as Head of Maronite Monks; AL-RA'Y AL-'AMM Reveals Details of Party and Personality Conflicts Within Lebanese Front Leadership; Are al-Ashrafiya Explosions a Response to Phalangist Domination?"]

[Text] Father Bulus has replaced Father Sharbal as head of the order of Maronite monks, which are a large and important Lebanese Christian religious institution. This followed closed elections lasting several days, interspersed by prayers and religious rites.

This would be a normal event if not for the situation surrounding the elections and the special role that Sharbal played in both religion and politics. This outstanding priest participated in all stages of the Lebanese civil war. In cooperation with his allies in the Phalangist and Free parties he converted Maronite monasteries, religious centers, and places of worship into military centers and well-defended forts filled with weapons. Arrests followed by torture within these religious shrines--against Palestinians, Moslems, Syrians, and Christians supporting the Palestinian cause--have occurred and are still occurring. Leftist and progressive forces seized by the Christian militia are treated likewise.

Many questions have arisen concerning the reasons which caused the forces dominating the Christian side, presently gathered entirely within the Phalangist party, to get rid of Sharbal. The latter was a main leader of the Lebanese Front, which from the beginning included al-Jumayyil, Camille Sham'un, President Franjiyah, the poet Sa'id 'Akl, the historian Jawad Bulus, and a number of right wing intellectuals, e.g. Dr Fu'ad Bustani and Dr Charles Malik. The answer can be found in developments within the front following battles in Beirut and other sectors, the movement of the war to South Lebanon, and military movements in the interior.

Disagreement within the front began when Sulayman Franjiyah walked out following fierce disagreements between himself and his former allies, particularly the Phalangist Party. Franjiyah and northern leaders charged the latter with attempting to dominate the situation and to impose one party rule. Franjiyah and the northern leadership, young and old, repudiated the front's dealings with Israel and refused to allow the Phalangists to participate in the government, particularly after they concentrated their energies on separatist steps designed to partition Lebanon. This overriding development still influences the Lebanese political situation.

Second was the secession of a number of independent, right wing personalities from the front's leadership for several reasons. Those quitting felt that they had no "say," given Phalangist ambitions to dominate their allies and consequent suppression of free speech even within front meetings.

Some supporters of the poet Sa'id 'Akl, who has close ties with the monks and the "Hurra al-Arz" organization, disagreed with the Phalangist call for the destruction of Arabs and Arabism while at the same time seeking to build bridges to some Arab countries. Dr Fu'ad al-Shamali, who led a military organization called "'Al-Tanzim," no longer has a role within the front and is encircled by his former allies.

Third was the Phalangist ground war against Christian minorities, which has lasted throughout the past 2 years in numerous forms. It has had severe repercussions within the ranks of some in the front. The Christian minority, according to a level-headed observer, felt subject to extermination or complete one party rule. Fourth, there is present

Fourth, there is present Phalangist militia attack upon its only remaining ally within the front, former President Camille Sham'un. Throughout his political life Sham'un has labored for the same cause that the Christian right wing has fought for during the past 2 years. This cause is supported by the Israeli army's move into South Lebanon, Jerusalem, and the West Bank.

In spite of deep ties of friendship between the Phalangist Party and Camille Sham'un, the former decided to wage war against the latter with a fierceness hitherto unknown in Lebanon, including the widespread butchery of 1975-76. The leaders of Sham'un's party publicized the Phalangist butcheries of 7 July, which the Phalangists term the "noble movement of the 7th." During that time 550 people were killed, with hundreds left wounded, maimed, and homeless, and tremendous property losses.

Democratic procedures aimed at Father Sharbal, who was attending the meetings of the Lebanese front, represents a fifth Phalangist dictatorial scheme. It appears that the Phalangists were upset by the major role played by the priest and the monks within the front. In spite of close military, political, and propagandistic ties between Sharbal and the Phalangist military council, Sharbal was accused of harboring a relationship with former President Franjiah who was carrying on a bloody conflict with the Phalangists. The Phalangist militia under the leadership of Bashir al-Jumayyil decided to get the priest replaced as head of the Maronite order at the end of his 6-year term. Although the dominant mood among those with a right to vote was to renew Sharbal's presidency, outside pressures were stronger and the congregation decided to elect Father Bulus Na'man. The latter has no problems with the Phalangists; his relationship with them and their leaders is very good.

The question is whether Bashir al-Jumayyil can totally liquidate all rivals, enemies, and friends. It is too early to give an answer to this. However, massive and repetitive explosions, occurring in east Beirut and al-Ashrafiya in particular, have caused people to live in constant terror despite the activities of Phalangist authorities. These explosions may constitute more than an "answer" to conflicts and breakdowns that are occurring on the internal front, which the Phalangists thought they could totally control.

SECRET RESOLUTIONS OF PHALANGE PARTY REVEALED

Kuwait AL-HADAF in Arabic 21 Aug 80 p 5

[Article: Phalangist Council Secret Resolutions; Sham'un Says Zero Hour Will Come 20 or 21 August 1980"]

[Text] Observers link delays in forming a new Lebanese Government to fear of another blowup that could return the country to its previous state of violent and bloody conflict. Preparations for violence are most pronounced in the two most inflammatory areas of the country, South Lebanon and North Lebanon. In South Lebanon Israel launched a lightning attack to take advantage of the U.S. presidential election and to draw attention from her announcement making Jerusalem the permanent capital of the Zionist entity.

What is going on in North Lebanon? The price of linking events in South Lebanon to those occurring on the border between Mount Lebanon and North Lebanon? During a small family celebration which took place in the presidential palace, 17 August 1980, Sulayman Franjiyah, on the anniversary of his election as Lebanese president, spoke with close associates about specific information which he continuously receives concerning Phalangist movements toward North Lebanon. He revealed that the Phalange is gathering its forces near Jurud Jubayl and al-Batrun and preparing to move on North Lebanon. Zgharta sources have indicated that a Phalangist buildup composed of three divisions is preparing to end the forced isolation of the east by attacking North Lebanon. Therefore it would appear that a Phalangist division is trying secretly to reach the town of Bsharri, under the leadership of Samir Ja'ja', while another division is preparing to leave the towns of Mayfuk and Dir al-Kattara for North Lebanon. A third division would go from the coast via al-Barbara highway, which intersects the main Beirut-Tripoli road. It appears that the Phalangist hordes moving into North Lebanon include 2,000 armed fighters, including elements from the former Lebanese army and volunteers from various eastern sections. A number of tanks and heavy artillery have been moved to Phalangist borders with North Lebanon, and reinforcements are continuing daily. All these movements are being watched by division stations in border areas from al-Batrun to Qanak, near Bashirri, and Jabal 'Ayut, Darb 'Ashtar, etc. Terrorist activities have started within the Jubayl area, and a wide northern movement is occurring in Beirut in anticipation of every possibility.

## The Military Council

During secret meetings held by Bashir al-Jumayyil, of the Phalangist military council, it was decided to launch an attack on North Lebanon, following the attainment of specific conditions in that sphere. AL-HADAF has obtained a copy of these resolutions, which were unanimously agreed upon by the council. They are divided into two parts. The first deals with Beirut; it calls for watching Dany Sham'un and not permitting him to move toward North Lebanon and upset the planned attack there. The second is intended to prevent Arab resistance forces from interfering in any possible battle between the Phalange and the Maradah in North Lebanon and thereby to neutralize the Tripoli front. Karm Bakraduni was given that assignment. The council received information specifically accusing Dany Sham'un of blowing up two cars in the al-Ashrafiya area. Dany was placed on a list for liquidation, whatever the cost. He refuses to go to North Lebanon because he knows what awaits him there.

## Zero Hour

The information that Camille Sham'un is spreading among close associates and visitors indicates an anticipated blowup in two stages soon. He speaks thus with the help of Jordanian authorities and says, "A new wave of assassinations will begin between the 20th and 25th of this month. Following these liquidations there will be consecutive security blowups in South and North Lebanon." Camille says that the Jordanian authorities have warned him of all this and have asked that he do whatever he can to limit these activities which threaten the country. Camille and Dany have doubled security about their houses as well as military activity in the areas where they live and move about.

9669

CSO: 4802

# SEQUEL OF ARMY TEST OF STRENGTH IN AL-HADATH DISCUSSED

Kuwait AL-WATAN in Arabic 14 Sep 80 p 13

[Report from Beirut by AL-QUDS (Jerusalem) PRESS: "Army Succeeds in First Practical Test Against Phalangists"]

[Text] The armed clashes between the Lebanese army and the Phalangist militia in the area of al-Hadath ended early Thursday morning after the armed Phalangists in the area surrendered. Firing ceased, and guards at Phalangist posts were taken to prisons at army barracks in al-Payyadiyah, al-Yarazah and B'abda. However, no sooner had the fighting ceased at 5 a.m. than two heavy artillery shells exploded, one near the presidential palace in B'abda, and the other near al-Yarazah army headquarters. It was determined that the Phalangists had fired the two bombs from one of their posts near Brummana.

## The First Test for the Army

These battles are considered the first practical test of the army's ability to confront [militias], specifically the Phalangists, who have imposed their control over the entire eastern area [of Beirut], with the exception of some sections in the southern suburb. The clashes began when the National Liberal party [NLP] invited army troops to occupy their offices. This invitation followed Camille Sham'un's decision to dissolve the military arm of his party and maintain its political activity.

Army troops did in fact enter the NLP positions more than a week ago. As soon as they arrived into the area, they issued a local order that no weapons be carried in the area or transported into it. The army asked the Phalangists to stay in their positions and not to appear with their weapons in the streets. After a week of provocations and Phalangist disregard for the decision of the army, the armed Phalangists tried to provoke NLP elements in the area. The army interfered to stop that, but the Phalangists responded with violence. Two Phalangists were killed, and two officers who were trying to solve the dispute peacefully were wounded. Thereupon, the army command issued orders to its troops to return any fire, to arrest anyone who fires guns and to establish the army's full control over al-Hadath.

A number of clashes followed between special and regular army troops and the Phalangist militias. These battles led to the surrender of a large number of armed Phalangists and the destruction of their headquarters in al-Hadath. Despite political interventions by Phalangist leader Pierre al-Jumayyil with President Elias Sarkis, the president notified al-Jumayyil that the army would not stop its intervention until it had established full control over the area whose security it was charged to protect

as part of its new mission. The fighting had stopped at noon, but it was resumed in the afternoon after Bashir al-Jumayyil threatened the army. Bashir warned, "Today we note with sorrow and with pain what the army did in Shahrur Valley before 7 July. We note that it was these actions that brought us where we are today. On 13 April this army was not able to protect us; we protected ourselves. If this army is politically incapable, and if it cannot maintain peace, it should at least be careful so that it does not become a tool for civil strife and for strengthening one party against the other."

He also said, "We do not want to enter areas which are occupied by the Lebanese army. We do not have a right to do so. But the army also does not have the right to do what it is doing today. These areas used [Christian] steadfastness areas. These are the areas that have protected B'abda [seat of presidency] recently and 4 years ago. These are the areas that will protect B'abda in the future."

Bashir al-Jumayyil referred openly to the army's failure to assume its responsibilities in some areas. "If the army is unable to maintain the peace, we may be forced to play its role this time also," he said.

#### Raiding the Dens

In the course of all this, army troops continued to raid the Phalangists with the covert assistance of some NLP groups. Army troops were able to silence Phalangist gunfire and to arrest the well-known leaders of the party in the area. The army's telecommunications devices intercepted new orders from Bashir al-Jumayyil [to his partisans] urging resistance and non-submission. The orders affirmed that aid was on the way to al-Hadath. However, al-Jumayyil's orders were not carried out this time, because the army thwarted that.

It may be said that the army did settle the situation in al-Hadath, and it seems that it was able to establish full control over the area. Bashir al-Jumayyil issued a new warning to the army command and to the president. He threatened to expand the area of confrontation and to attack and occupy areas where the army is posted. Al-Jumayyil also threatened to shell the army and to divide it most deeply. However, this information remained confidential and was not circulated in political and media circles.

Everybody is speculating about the position of Camille Sham'un and the NLP in the area. The Phalangists are circulating information that Sham'un had denounced the disturbances and had instructed the NLP in al-Hadath not to take part in them, and to contribute to the effort to pacify the situation. But Sham'un's wishes were not carried out in the area. In fact, the members of the NLP proclaimed their absolute support for the army's action. Bashir al-Jumayyil tried to straighten things out by publicly commending Camille Sham'un. This, however, did not have any impact on the centers of power in the party. These take their orders from Dany Sham'un who takes a negative and extremist position against any position taken by the Phalangists and Bashir al-Jumayyil.

[Camille] Sham'un had held an extended meeting with Pierre al-Jumayyil and had spoken many times with Bashir. It is expected that he will convene an important meeting to determine the situation in the context of the army's new action in the eastern areas.

## Position of the National Movement

But what about the position of the National Movement?

Information received at B'abda Palace from various parties on the other side [of the conflict] confirms the existence of a large group which supports the army's action and calls on it to continue imposing its control on the separatist areas which are working for partition, so that, if the army is successful, it could then pursue its basic mission. Numerous national figures in the western region [of Beirut] as well as public opinion leaders and key figures in the Chamber of Deputies have informed the president of this view. They emphasized that this course of action constitutes the only available opening to solve the problem of the continued existence of mini-states in the eastern areas. The president was also told that the army's success there would be a prelude to its move into the remaining areas, including the western [areas of Beirut] and the south [of Lebanon].

B'abda palace circles are saying that President Sarkis is considering all these possibilities with senior security commanders. He is facing the difficult choice of shifting the power of the state from the realm of radio statements to that of enforcement [of state policy]. Such a choice would make it easier for the state to implement the well-known principles of accord which the president proposed several months ago.

In general, reaction in other non-eastern areas to the army's success in al-Hadath have been positive. According to private information from the eastern area itself, public opinion was satisfied with what has happened in al-Hadath, and was hopeful that this would be a prelude to [the army's] reaching into all areas controlled by the Phalangists.

## Phalangist Pressures

President Sarkis is being subjected to heavy Phalangist pressure to disregard the advice of some of those who are close to him to continue widening the army's sphere of influence into the heart of the eastern region. This, according to Phalangist threats, would have harmful consequences for Lebanon as a whole and for the army and the government in particular. The Phalangists have begun carrying out their threats. They have resumed shelling the area of al-Hadath where the army is stationed, while they negotiate secretly to stop the army's campaign.

The latest information about the clashes in the area indicates that fighting resumed after the Phalangists issued a new warning in which they asked that all detained Phalangists be released. AL-QUDS PRESS has learned that the army may release the armed Phalangists who are being detained, provided that they promise not to carry arms again or appear with their weapons in the area of al-Hadath. It was also mentioned that the army has permitted the appearance of any party faction, provided it does not make any use of weapons. Negotiations on this matter are under way between the army and the Phalangists.

Some circles of the National Movement believe that President Sarkis will pursue his course to impose the army's control, and that he will apply himself to achieve the plan proposed by former President Sulayman Franjiyyah to start deployment of the army from B'abda, until the army carries out its objective of controlling all partitionist areas. But according to presidential circles, the president is saying that he needs political cover to enforce army control. Contacts are under way in this area, and it is not unlikely that all these demands may be met in the course of the next few days.

In any case, all indications are that the administration is at a difficult and important crossroads. The destiny and the identity of the administration in the remaining 2 years of its life depend on the decision it will take in this regard. It is also been learned that the presidential palace has initiated broad and secret contacts with all groups so that they may help this round before matters get worse and before any action is undertaken that may hurt the course of peace and reconciliation in the country.

8592

CSO: 4802

CENTRAL BANK RAISES CEILING ON BANK CREDIT

Beirut AL-NAHAR in Arabic 6 Aug 80 p 5

[Text] The Bank of Lebanon raised the ceiling on bank credits to the private sector by 2 percent until the end of the current year. Likewise, it increased the additional allowable credit to finance the industrial and tourist sectors from 5 to 8 percent.

This appeared in circular No 268 of 5 August 1980 issued by the governor of the Bank of Lebanon, Shaykh Michel al-Khuri yesterday. It amends circular No 251 of 29 December 1979.

This measure of the central bank relaxing credit ceiling is in response to the desire of the banking system after it became clear that there was presently increased and unexpected demand for the Lebanese pound, free of risk, on both local and international money markets. The volume of bank credits given in the first quarter of the year revealed an increase in line with the limits set by the Bank of Lebanon.

The text of circular No 268 follows:

"In reference to circular No 251 of 29 December 1979, the governor of the Bank of Lebanon announces that in the session held on 4 August 1980, the board of directors of the central bank approved the following amendments:

"First, to raise the credit ceiling as set in the second article of the said circular for the period between 1 January and 31 December 1980 from 20 to 22 percent of the lower of all bank credits as of 30 November 1979 or 31 December 1979 (as determined under prior guidelines). Any bank can utilize this new 2-percent increase up to the end of 1980.

"Second, to increase the additional allowable credit defined in the third article of circular No 251 regarding the financing of the industrial and tourist sectors from 5 to 8 percent of the volume of a bank's credits as of 30 November 1979. This will be effective until the end of 1980.

"Third, every bank that exceeds the maximum limits set forth in the two previous paragraphs and in Paragraph 4 of circular No 251 will be required to place with the Bank of Lebanon 75, instead of 50 percent of the amount in excess of the maximum credit limit, as a necessary reserve. This paragraph takes effect on 1 September 1980.

"Fourth, banks may concede to other banks the right to use any unutilized part of the increased credits authorized above. This may be done after obtaining the prior consent of the Banks Control Commission.

"Fifth, this circular takes effect on 5 August 1980.

9587

CSO: 4802

PROMINENT INDUSTRIAL REPRESENTATIVE DEPLORES FINANCIAL STATE

Beirut AL-ANWAR in Arabic 13 Sep 80 p 7

/Article by George Bashir: "The Subject of the Instalment Payment of Debts Is Closed; Restriction of Banking Credit Has Created Economic Stagnation"/

/Text/ The current chief of the Society of Lebanese Industrialists, Dr Fu'ad Abu Salih, resembles the current chief of the Society of Banks of Lebanon, Dr As'ad Sawaya.

Dr Abu Salih is the first chairman of the Industrialists' Society to come from the ranks of technicians and managers, not the ranks of the big industrialists, after the biggest of the big factory owners--Albert 'Usayli, Butrus al-Khuri and 'Abdallah Khuri- followed one another as chairman of the Industrialists' Society since its establishment.

Dr Sawaya is the first chairman of the Society of Banks to come from the ranks of the technicians and managers, not from the ranks of bank board chairmen like Messrs Pierre Iddah and Joseph Ja'ja'.

Some people say that developments of the age and the expansion of the economic societies' tasks have brought about the presence of experts, not princes, at the top of these societies.

Some people say that technicians like Fu'ad Abu Salih and As'ad Sawaya constitute a compromise solution to the struggle among princes for the chairs of sensitive economic societies like the Societies of Industrialists and Banks.

That is, Fu'ad Abu Salih may provide more stability for industrialists in the light of the competition between the two chieftains of industry Shaykh Butrus al-Khuri and Mr Ghazi Jabr, and As'ad Sawaya may provide better stability for the banks in the light of the competition between the two bank chieftains Shaykh Joseph Ja'ja' and Mr Jean Abu Jawdah.

The problems and concerns of the industrialists, during and after the events, have increased greatly since the days of peace, and the problems and concerns of the banks increased during and after the events, because, in matters of finance, labor and workers, the trials of war always start after the war ends--they do not end as soon as there is a fragile cease fire.

On the affairs and concerns of the industrialists, AL-ANWAR held this conversation with the chairman of the Society of Lebanese Industrialists, Dr Fu'ad Abu Salih:

#### Instalment Payment of Debts

Question: Following continuous negotiations on the subject for more than 2 years, this draft is still the subject of negotiation, from committee to committee and from meeting to meeting. Where has the draft got now?

Answer: The draft law on the instalment payment of debts is a special exceptional solution to a special exceptional situation which the country has been going through as a result of the events and their aftereffects. Had security been established after the conclusion of the events in 1976, there would never have been need for this draft.

This kind of exceptional settlement must be negotiated amicably by those interested in the settlement to arrive at the formula for the settlement, a settlement where the wolf will not die and the sheep will not disappear.

Especially since the Lebanese government in its current political economic and security state cannot impose a solution on everyone.

At least the mentality prevailing in Lebanon now does not want to impose this solution. Rather, it wants mutual understanding among groups in the Lebanese economy on solutions to the economic problems, in a manner whereby this dominant mentality will try to make the Lebanese political groups understand the solutions to their security and political problems.

The draft on instalment payment of debts, which is of interest to industrialists, merchants, hotel owners and other debtors, will naturally harm the banks. The banks are asking the government to compensate them for the losses they will suffer from the instalment payment of debts. In its current state, the government needs someone to help it. The claim is naturally not against the Italians but against "General Security."

Therefore the negotiations have gone on long, and have become ramified longer, to the point where we have lost and have made the people lose in negotiating to agree over the final formula for the draft on the instalment payment of debts.

Now, however, the joint parliamentary committees in the Chamber of Deputies--that is, the Committees on Administration, Finance and the Economy--have approved a final formula for the draft of the law on the instalment payment of debts, a formula which enjoys the agreement of the industrialists and merchants' societies and the hotel and restaurant unions, and enjoys the agreement of all banks and the Central Bank as well.

We had hoped that the Chamber of Deputies would be summoned to an exceptional session this September, to approve the draft of the law, but the cabinet crisis prevented that. We began to hope that the draft would be approved in parliament at the beginning of the ordinary session which will begin the middle of October.

Question: How long is the period for the instalment payment of debts, and what is the annual interest on the debts broken down into instalments, according to the formula of the draft law agreed to by all those concerned?

Answer: I may not be boasting if I say that the final formula of the draft law which was presented by the Society of Industrialists has been approved because it is the most comprehensive and the fairest.

This final draft will allow factories and hotels indebted to banks to request that their debts be broken down into instalments and paid back over 10 years at an annual simple interest rate of 5 percent.

The draft will allow other persons in debt to banks to request the breakdown of their debts into instalments to be paid back over 10 years at an annual simple interest rate also of 5 percent.

The simple interest rate for all debtors has been consolidated in order to prevent problems and disputes on the status of each creditor bank and each debtor client.

The repayment period for industrialists and hotels has been made longer than that for the other debtors because factories and hotels were more damaged than others by the events and because the debts which the hotels and factories have incurred are greater than the debts of others.

The draft stipulates that banks which break their clients' debts down into instalments have the right to request compensation for them from the Central Bank of Lebanon. This compensation will take place by having the Central Bank discount the paper of the debts broken down into instalments.

That is, banks which break down clients' debts valued at 10 million pounds at a low interest rate of 5 percent per year will have the right to borrow 10 million pounds from the Central Bank at very low interest--much less, naturally, than that the banks pay depositors.

In other words, the Central Bank will compensate the banks which break their clients' debts down into instalments in a manner guaranteeing them financial liquidity and compensating them for the difference between the free interest rate prevailing in the Lebanese market and the interest rate set at 5 percent for debts broken down into instalments, because the banks cannot pay 9 percent interest to depositors and just realize an interest of 5 percent from borrowers.

The interest the Central Bank will receive on the banks' "paper discount" will be variable and will differ according to fluctuations in the bank interest rate on deposits in the Lebanese market.

#### The Price of the Pound

Question: Are you in favor of having the price of the American dollar stabilize at its price, which now totals 342 Lebanese piasters, or do you envision broader Central Bank intervention to lower or raise the price of the dollar, on grounds that all changes in the price of the dollar in the Lebanese market are automatically reflected on the prices of all Arab and foreign currencies?

Answer: At every time in history and in every country in the world, a drop in the price of domestic currency benefits domestic industries, since domestic interests can increase their exports.

In Lebanon now, Lebanese industries are naturally benefiting from the low price of the Lebanese pound, since greater scope is being made available to factories to export their output from Lebanon.

However, the drop in the price of the Lebanese pound measured against the prices of foreign currencies is a double-edged sword. Because of it the prices of raw materials imported to Lebanese industries from abroad soon rise and because of it the wages of workers and employees in Lebanon soon rise. The prices of the other requirements and services industry consumes, such as electricity, fuel and transport also rise.

In the face of benefits from the drop of the Lebanese pound on the one hand and its deleterious features on the other, we demand stability in the prices of Arab and foreign currencies on the Lebanese market, by keeping the price of the dollar where it now is or by modifying it to rise or fall.

This is so that the employer can be confident about his near future and build his works domestically and his relations with the outer world on the basis of an approximately known currency price, because rapid severe fluctuations in the price of currency are a kind of gamble and adventure which could make some rich and bankrupt others.

One should realize that there are very rich advanced countries which deliberately lower the price of their domestic currency to encourage the exports of their national output abroad.

The issue of the currency price is an instrument in the hand of the government to be used in accordance with the domestic economic interest. Drops in the price of hard currency do not always mean that the country's economic state is collapsing. This is an old fanciful view which the era has transcended and which reality and practice have dispensed with.

#### 90 Percent for the Arab East

Question: What are the total exports of Lebanese industries, as a share of total production, and how are Lebanese exports broken down among the nations of the world?

Answer: I imagine that about 30 percent of the total production of Lebanese factories is exported outside the country and 70 percent of it is consumed within the country.

I estimate that about 90 percent of total Lebanese industrial exports are exported to countries in the eastern Arab world and only about 10 percent are exported to other Arab and foreign countries!

The Arab countries which import 90 percent of all /exported/ Lebanese manufactured goods are the Kingdom of Saudi Arabia, Iraq, Kuwait, the state of the United Arab Emirates, Qatar, Bahrain, Jordan and Syria.

That is, Lebanese industry, especially since the events of 1976, have come to rely on the markets of the countries of the Arab east, first because of the great wealth which has been obtained by these countries through the rise in oil prices and the increase in construction and consumption in the countries of the Arab east and second because of the difficulty of sea transport when Lebanese products are exported to African Arab countries and foreign countries (the security situation about the port of Beirut and security conditions between Lebanese areas).

#### Restriction of Credit

Question: The Central Bank of Lebanon imposes restrictions on the lending of funds from banks to clients in order to improve the exchange rate of the Lebanese pound. Are these restrictions, which are being imposed for the first time in Lebanon, suitable for industrialists?

Answer: The goal of the Lebanese Central Bank in restricting the banks' freedom to lend to clients is to achieve two purposes:

The first purpose is to limit commerce in land and buildings, a commerce which has been transformed into speculation and a black market where a land or building is bought today at a price of 2 million pounds then sold in a week at a price of 4 million pounds!

The second goal is to limit the transfer of funds from Lebanon abroad with the purpose of depositing them in western banks at very high interest, especially after the interest on bank deposits in America jumped to 18 and 19 percent toward the end of last year.

By virtue of Central Bank Directive No 251 dated 29 December 1979, banks operating in Lebanon were prohibited from giving new credit to clients in excess of 20 percent of their total credits on 31 December 1979 in 1980.

The banks have been permitted to give new credits to owners of industrial and tourist organizations equivalent to just 25 percent of their total credits on 31 December 1979 in 1980.

However, in accordance with Central Bank Directive No 268 dated 5 August 1980, these restrictions have been lessened slightly. Banks are permitted to give new credits to their clients in 1980 equivalent to 22 percent of their total credits on the last day of 1979, or 28 percent of their total credits at the end of 1979 if they were credits given to industrial and tourist organizations.

The restrictions the Central Bank has imposed to limit bank credit have not just led to a reduction in loans to land and building speculators; they have also led to a reduction in bank loans to other employers and productive projects, including industry, agriculture and trade, and these restrictions as a consequence have created perceptible paralysis in the course of work in the country.

While it is difficult in this pressing period to discuss the policy of tightening bank credit, I consider in brief that specialized banks should be obliging in granting medium-term and long-term credit to clients.

That is, I recommend that the Industrial, Agricultural and Real Estate Credit Bank, the Financing Bank and the Housing Bank open their treasuries and lend to every reliable person who is in need.

The government owns half the shares in these three banks. The purpose of these three banks is to lend to productive projects. This specifically is a time for these banks to perform their functions.

In activity there is a blessing, much more explicitly, in these difficult circumstances when banks are deliberately and intentionally being kept from their rights and freedom to lend to the clients they consider appropriate.

National duty dictates an exceptional government policy to urge these government-national banks and other specialized national banks to lend over the medium term, so that their credit may be expanded.

In paralysis there is restraint, despair and discouragement. Let the government move to get the frozen funds in these banks moving. Money should not be frozen in treasuries. Shaykh Shakhbut's point of view has vanished.

For example, but not exclusively, the national government Financing Bank (headed by Mr 'Abd-al-Rahman al-Tayyarah) allotted the sum of 400 million pounds to lend to industrialists over long terms at low interest. We have promised to allocate another 800 million pounds for the same purpose after lending out the initial 400 million pounds.

However, 3 years after allocating the 400-million loan, it has been feasible for the industrialists to borrow only 100 million pounds out of the original 400 million; 300 million are still frozen in the bank.

The reason for that is not the industrialists' lack of need to borrow but rather the debilitating conditions which the Financing Bank imposes on the borrowing industrialists; we do not exaggerate in saying that those conditions nearly bankrupt the borrower.

#### A Federation of Employers' Committees

Question: It has been proved through practice that the General Federation of Labor in Lebanon has been more able to exert influence, act and obtain gains for the workers than the Lebanese societies of employers, which have seemed fragmented in the face of the Labor Federation's demands. Why isn't an office of "economic committees" established, which would be tantamount to a general federation of employers in Lebanon, as recommended by the president of the Beirut Chamber of Commerce and Industry, Mr 'Adnan Qassar, so that a balance of forces can be established between the two parties to labor?

Answer: I do not consider that the General Federation of Labor has achieved anything but negative gains. That is, it has achieved continuous large wage increases for workers, and these increases in turn have led to a great rise in living expenses where the workers have lost with their left hand what they gained by increasing with their right hand.

Then employers' societies, by the nature of their structure, in every country of the world, are more concerned with economic stability than workers' unions. Therefore the employers' societies remain constantly compelled to offer concessions toward demands for increased wages in order to avoid strikes and eliminate political auctioneering.

I personally do not oppose the establishment of a kind of general federation of employers' societies to limit the oppression of the General Federation of Labor, in its capacity as the only representative of the workers.

However, we must realize that the interests of employers are sometimes in contradiction. An example of that is the contradiction in positions on import policy between merchants and industrialists. Meanwhile the interests of the workers, which are always to demand increased wages and compensations and reduced work times, are homogeneous.

In spite of this bitter fact, I consider that the coordination which exists between the chambers of commerce and industry and the societies of industrialists, merchants and banks is reasonable and acceptable.

#### Dominance by the Beirut Chamber

Question: What is your position on some people's statement that the chairman of the Beirut Chamber of Commerce and Industry, Mr 'Adnan Qassar, dominates the activities of the other chairmen of chambers of commerce and industry and creates reluctance on the part of some of these chamber chairmen to cooperate firmly with the other economic committees?

Answer: I see no dominance and I see no reluctance. There is a difference in views between Chairman 'Adnan Qassar and one of the three other chamber chairmen. This is logical, because the Beirut Chamber of Commerce and Industry is the biggest Lebanese chamber and by virtue of the importance of the Beirut chamber and by virtue of its situation in the center of Lebanon its activity seems bigger and its role greater. Opponents and critics must emerge before every power in the world.

#### Smuggling

Question: The problem of the smuggling of goods to Lebanon which became blatant in 1975 is still broad in scope. What are the late developments in this?

Answer: Smuggling is smuggling; there are no statistics on the quantities of goods smuggled. However, in the past 4 years it has certainly become a dangerous operation, threatening national trade and industry, because at least about 20 percent of total imports into Lebanon enter the country through smuggling without payment of any customs duties to the government.

Smuggling is a basic security problem more than an economic one. Therefore we are now making an attempt to remedy it with those who are active politically and in security terms.

Question: Are your efforts for example concentrated on forming a national unity government or are they more urgent than the formation of a government?

Answer: We hope that a government of national unity will be formed, because such a government might solve most of the smuggling problem, if not all of it. However, there is no ~~good~~ our making efforts in this field because the problem of formation of a government is bigger than we are.

Our efforts which we are making quietly, are concentrated, through effective politically active persons, on attempting to create a radical peaceful solution to limit smuggling.

I do not want to expand on a description of these efforts, lest I stir up sensitivities here or there.

It should be stressed that all labor unions and all economic bodies are against smuggling and that all political and party activities share our view that smuggling is harmful to national industry and trade.

However, there are circumstances and conditions which are causing some politically active persons temporarily to hesitate to adopt decisive positions to prevent smuggling. We hope to arrive at solutions in a manner where the fox will not die and the sheep will not disappear.

Question: It is said that some politically active persons are in favor of preventing smuggling if it is easy to create "Lebanese financial resources" for political parties which will enable them to do without the "duties" they collect from the "private ports," on grounds that these parties do not get foreign oil assistance or international aid. Is your effort being made in this framework?

Answer: That question revolves about details. I have no answer to it. Let us try, because our goal is to solve a problem, not create problems.

11887

CSO: 4802

BANKER DISCUSSES POSITIVE DEVELOPMENTS IN BUSINESS

Beirut AL-ANWAR in Arabic 13 Sep 80 p 7

/Article by Habib al-Bustani: "Lebanese Banks abroad Have Been Active in order To Survive: 'Ashi: I Have Participated in Holding onto Clients"/

/Excerpt from Text/ During the Lebanese war, around 1975, work stopped on the street of banks in Beirut, prompting the bank owners to think of moving their banking activity in the desire to guarantee the course of activity and work outside the borders of the nation. Activity in branches of Lebanese banks in some Arab countries was stimulated.

However, this was not enough to respond to the needs of clients, especially well-heeled ones, outside the Arab countries, most of whom sought refuge in Europe in general and France in particular. Lebanese banks opened in France.

On this subject, and other banking matters, we had a meeting with Dr George 'Ashi, manager of a bank operating in Lebanon and member of the Society of Bank Owners.

Questions and Answers

/Question/ What is the reason for establishing Lebanese banks abroad and how large is their number?

/Answer/ The basic motive for establishing Lebanese banks abroad, especially in Paris, is, on the one hand, to create a center outside Lebanon containing all the services needed to pursue the bank's activity in a country where all the services the bank requires are available, and, on the other, in a country where the biggest number of bank customers reside who emigrated from the nation temporarily or for good as a result of the events which occurred during the years of the trials. Therefore Paris was chosen. What made matters easy was French legislation, which encouraged the opening of banks, not in the form of branches of Lebanese banks but in the form of French joint-stock companies subject to French law. On this basis, as of the latter part of 1975, Lebanese banks or joint banks existing in Lebanon started to establish subsidiary companies for themselves in Paris subject to French law. As regards the number of these banks, they total about 10.

## Conditions for Establishing Banks in Paris

/Question/ What conditions do the French authorities set forth for establishing such banks, and are there difficulties?

/Answer/ The conditions applied to these banks are general ones adopted from the French law and statutes in force. The minimum capital must be 7.5 million French francs and the agreement of the National Monetary Council and the Bank of France to the measures to be taken to establish the bank, including the bank management, must be obtained.

The Bank of France has now started tightening up. If the bank it is intended to establish is a Lebanese one, it must have the participation of a large acceptable French bank in France. Such conditions did not exist before. The banks established recently have been companies belonging to big bank organizations and companies. For example, when the Credit Suisse pour le Moyen Orient bank, 96 percent owned by Credit Suisse, was opened there was no need for any conditions because the bank had international support and sufficient expertise, and the same was true in the case of Credit Commerciale de France. However, there are Lebanese banks which have been requested to provide French participation through a French bank.

/Question/ Is there fear on the part of the French of the danger of an invasion by Lebanese banks?

/Answer/ The Lebanese banks which open in Paris are not aimed at speculating against the French banks there. They open for Lebanese and Arab clients, to finance the operations of Lebanese who are residents and expatriates in France, Africa or America, and to finance operations Arabs perform. Therefore the fact is that the Lebanese banks do not take away any of the business of the major French banks.

## Advantages of Banks abroad

/Question/ It is said that Lebanese banks abroad give more facilities than other banks.

/Answer/ Lebanese banks open for specific clients, which helps them to know the clients more exactly. Their knowledge of the condition of clients, through lengthy dealings with them, especially their knowledge of the clients' properties in Lebanon and other Arab countries, by the nature of the case makes them better able to give appropriate facilities suitable to their conditions, which are not available in big French banks which rely only on the individual's assets and possessions in France.

/Question/ What is the effect of opening the banks on the Lebanese economy?

/Answer/ The opening of Lebanese banks abroad has helped develop the economy, since that has helped retain the clients of the Lebanese banking system abroad and keep them within its area of influence. At the same time, the profits which these banks realize are profits which return to Lebanon through the Lebanese participants, although these banks have performed services, elevated Lebanon's name, shown the world the Lebanese ability to adjust to various circumstances and conditions, and have shown the degree of solidity of the Lebanese banking system.

/Question/ What is the number of Lebanese employees in banks abroad?

/Answer/ Essentially, when the opening of Lebanese banks in Paris started, between 1975 and 1979, recourse was made to a large number of Lebanese employees because bank street closed during this period; there were no banks except on that street, and their closing resulted in a large number of unemployed workers, until these banks opened branches in a number of areas to adjust to the new condition in the capital and enable the largest possible number of clients to benefit from banking services. At this time, the number of employees was abundant, permitting the banks that opened abroad to seek recourse in its employees in Lebanon. Likewise, the presence of a large number of employees who were receiving money but not working made it necessary for the banks abroad to seek recourse in these people. In exchange, the French authorities let this pass at first.

In 1975-76 France was extremely tolerant with Lebanese regarding their residence, facilitating their affairs and providing for their children in schools. Among those who were blessed with the facilities were the Lebanese banks and their employees. Now, however, there is a quota; the ratio of non-French employees may not exceed 35 percent of the total bank employees.

Without a doubt, the banks which have opened outside Lebanon need to have a Lebanese management system to deal with Lebanese and Arab clients. Fluency in Arabic is essential, as are the banking techniques in use in Lebanon. These techniques are very flexible; the bank can tailor banking services to the requirements of the patron. Therefore there is no way to avoid employing Lebanese workers.

/Question/ Do you believe that opening these banks will be for a specific period?

/Answer/ Banks do not open in a temporary fashion. Banks are not like shops; if they open, they stay open. Among the things which are not at all liked in the banking world is closing a branch or banking company belonging to a bank. Thus these banks opened in accordance with newly arising circumstances under the pressure of need but did not open to close down, even after the disappearance of the need and the pressure. Banks open with flexibility, in view of the circumstances Lebanon is passing through. When banking activity inside Lebanon is paralyzed the ability of Lebanese banks abroad reaches its maximum. This ability declines when matters return to their normal state inside Lebanon.

#### An Unsound Situation

/Question/ What is your opinion regarding the banking situation in Lebanon from the standpoint of work?

/Answer/ The banks' work in Lebanon is active. During periods of inflation, banks function, profit and expand the their deposits expand also. However, all the banks' work is now based on financing: financing old projects, financing emergency activities, providing the routine requirements of citizens. In other words, there is no new investment creating production and increasing the surplus national product which is to be considered an element in developing the Lebanese economy. There is a turn-over in the economy despite the existence of inflation. Lebanon imports 3 billion and has now started importing 6 billion; tomorrow it will be 8 billion. Thus the

value of imports is increasing, prices are rising, inflation is occurring and profits are rising. In my view this economic situation is unsound. A country which wants to prosper must rely on production in its various sectors, industrial, agricultural, service and so on. This is not happening now in Lebanon. What we are seeing is the continued use of what had existed and the assets remaining, and this constitutes a very grave phenomenon.

/Question/ So there has been a transformation as regards the investment of bank funds since the time prior to the events. What is the banks' reaction? Have they resorted to foreign or perhaps Arab investments?

/Answer/ The fact is that participation of the Lebanese banks in existence here in international foreign financing activities is not great but without a doubt it exists. The law and the statutes allow that and the banks opening to the outer world conduct operations like that.

/Question/ What about the banks which have opened branches for themselves abroad?

/Answer/ Alongside the banks which have opened subsidiary banking companies in Europe, especially in Paris, there are banks which have opened branches and subsidiary companies in Arab countries, especially in areas which permitted the opening of branches even before 2 years ago, such as Dubai, Sharjah, and Abu Dhabi. But the banks which have opened branches in Arab countries have managed to provide the main centers in Lebanon with foreign financing.

#### Lebanese Law Is More Flexible Than French Law

/Question/ Is there a difference between French law and Lebanese law as regards Banks?

/Answer/ Lebanese law was taken basically from French and Belgian legislation, but in France there is something which does not exist here. There is oversight on currency, meaning that there is a corpus of legislation necessary for oversight regarding currency and regarding lending. Thus currency oversight exists and Lebanon does not need it. In other words, the banking system in Lebanon is more flexible and less subject to severe stipulations.

#### Deposit Activity Is 20 Billion

/Question/ So Lebanon will regain capital soon in view of its flexible banking system?

/Answer/ Lebanon has not lost any capital. If we calculate the deposits in Lebanon before 1975 in comparison with today we will see that they are three times what existed in 1975. Some capital has left and other capital has come in. The capital which has come into Lebanon and is helping to stimulate deposit activity now exceeds 20 billion pounds, which is a fantastic figure in terms of the conceptions which had been set forth for a country like Lebanon. Unfortunately, most of the capital belongs to resident or expatriate Lebanese /abroad/. Without a doubt Arab and foreign deposits are few, but their share never was high. Talk about Arab capital in Lebanon was an illusion; at its maximum it did not exceed 10 percent. Thus one must not

depend on Arab deposits in Lebanon. We have the deposits of Lebanese working in Arab countries, Africa and so forth, which constitute the major portion. The major blessing which always must be emphasized and which makes the Lebanese banking system an interesting one is currency freedom. Lebanon is distinguished by a currency freedom which does not exist in any other country of the world; this is the secret of the survival of the banking system in Lebanon, the secret of the prosperity of the bank market and the secret of the increase in the Lebanese people's deposits.

/Question/ Recently the funds of the Iranians in the United States were frozen; perhaps that will have an effect on Arab funds in the future. Is there a Lebanese or Arab banking initiative and policy to correct such a situation and attract this capital?

/Answer/ Without a doubt the danger exists. The danger of freezing foreign funds as regards the subjects of a number of countries is relevant. This occurs in wars between the subjects of enemy countries. Ordinarily the depositor rectifies this situation by transferring his funds to another country but I do not believe that Lebanon in its current circumstances can play a role in this field. For example Iranian funds did not seek refuge in Lebanon. The Iranians' funds sought refuge in France, Switzerland and other countries.

11887

CSO: 4802

STATE INDEBTEDNESS TO NATIONAL SOCIAL SECURITY FUND GIVEN

Beirut AL-NAHAR in Arabic 8 Aug 80 p 5

[Text] Total state indebtedness to the National Social Security Fund through the end of 1979 reached nearly 39 million pounds. This amount should have been paid in the first part of the current year at the latest.

The director general of the fund informed the [fund's] Finance Commission of this during one of its hearings. He explained the accrued debts of the state as the largest employer in the country. It pays dues for both full-time and part-time employees, whose number is about 18,000 and are not members of the civil service. The state also contributes 35 percent of the cost of health services.

It is estimated that dues owed by the state will rise to 75 million pounds by the end of 1980, and to 116 million pounds by the end of 1981, due to the rise in wages and costs of health insurance.

The director of the fund proposed that a sum of not less than 70 million pounds be set aside in next year's state budget to cover the balance owed for 1979 and 1980.

It is understood that the chairman of the Finance Commission of the fund, Dr Khattar Shibli (who is at the same time director general of the Finance Ministry) promised to form a committee representing the Finance Ministry, the National Social Security Fund and the Audit Office to propose firm guidelines regulating relations between the fund and the treasury.

It should be noted that in contrast to past years, the 1980 budget did not include any provision related to the payment of state obligations to the fund.

9587

CSO: 4802

## ROLE OF MERCHANT MARINE IN BOLSTERING ECONOMY PRAISED

Khartoum AL-AYYAM in Arabic 29 Aug 80 p 4

/Article by Muhammad Ushik Hashal: "Sudanese Shipping Lines Are One of the Pillars of the National Economy"/

/Text/ Although the Sudanese Shipping Lines Company management prefers to work in silence, on grounds that that is better, in its view, since the nature of its activity requires that, one must pause before the main aspects of this economic edifice which has started to be influential, with an effectiveness which has developed clear features, in a stretch of the course of our national economy which has not been easy. We must pause briefly to review the growth of the Sudanese Shipping Lines Company, which we all know is the sole government company operating in the sphere of marine transport and the biggest marine transport operation in the Sudan now, and the stages which it has passed through and the successes it has achieved. To that end I sat down with Mr Salah-al-Din 'Umar 'Abd-al 'Aziz, director general of the company, in his office in Port Sudan, after the cluster of eight new ships had been rounded out by the arrival of the vessel al-Nil al Azraq the last week of June.

#### The Beginning of the Meeting

The beginning of the meeting there occurred when Mr Salah met me with his familiar simplicity and permanent smile. He set aside part of his time, in spite of the pressure of work and the continuous meetings he holds every day with officials in various sections of the company to learn about the course of work and follow it up in order to reduce all difficulties which might obstruct the smooth flow of performance in the company. I started my conversation with him by venturing to ask the man a question on the history and the manner of growth of the Sudanese Shipping Lines Company and the foundations on which it was based.

Mr Salah arranged himself in his seat and pondered awhile, as he searched his memory, and said, "This company was established for the first time in 1962 with a capital of about half a million pounds, divided equally between the Sudanese government and the Yugoslav government." Mr Salah says that the first ship to enter service was the vessel Sinnar, which reached Port Sudan for the first time on 23 April 1962. Its capacity was 4,950 deadweight tons. It was then followed by the vessels Kordofan, 4,980 deadweight tons in capacity, al-Jazirah, also 4,980 tons, Shindi, 7,601 deadweight tons, Maridi, 7,648 deadweight tons, Niyala, 8,563 deadweight tons, and Omdurman, 13,716 deadweight tons.

## Development and Termination of the Partnership

The general manager continued his discussion, stating "The development the Sudanese Shipping Lines Company witnessed during the period between 1967 and this year, 1980, after the arrival of the eight multi-purpose new vessels was complete, also witnessed the termination of the partnership with the Yugoslav government in 1967 after all the demands of the Yugoslav party had been met by the company. At that time the capacity of the fleet did not exceed 20,000 tons and the ships were four in number, the Sinnar, Kordofan, al Jatirah, and Arkavit, which subsequently sank." He declared that the capacity of the fleet has now risen, with the arrival of the new ships in service, to 153,000 tons and the number of ships has risen to 15. He mentioned that the new ships are the al-Abyad, the Dongola, the al-Qadarif, the Marwi, and the Darfur. The capacity of each comes to 12,200 deadweight tons. There is the vessel Khartoum, whose capacity comes to 14,400 tons and there are the two ships al-Nil al-Abyad and al-Nil al-Azraq, which are roll on roll off ships with a capacity of 12,600 deadweight tons each. Mr. Salah stated that the rate of increase in the capacity of the merchant marine fleet rose above its level at the dissolution of the partnership in 1967 by 600 percent.

## The Successes

We asked Mr. Salah 'Umar about the successes the company realized in the field of sea transport and he said, "The company as a Sudanese marine transport firm now enjoys a very good international reputation and a high degree of confidence from companies operating in the field of marine transport, since we, for our part have been able to cover some of our country's requirements in this sphere, transporting a large volume of our exports and imports, of which about 50 percent are transported, thus saving our country more than \$100 million a year in hard currency which had been paid to other bodies for ocean freight, in addition to the revenues arising from chartering, concentrating our services on all shipping routes, and competing in them as a competent carrier enjoying international confidence and observable capability in spite of the intensity of competition from foreign companies." He stressed "In spite of that also the company offers Sudanese citizens, especially those who are active in the export area, the best bids available in the marine transport market. One believes that it has been important that there should be a minimum national commitment toward the Sudanese Shipping Lines Company in the Sudanese private sector, on grounds that it is the sole national marine carrier in the Sudan, so that it can achieve its national goals of saving the hard currency that is paid to non-Sudanese carriers for ocean freight and can also take part in greater and greater fashion in developing the national economy." Mr. Salah declared that "the two vessels Khartoum and Omdurman have been put up for international charter, and stressed that the vessel Khartoum was chartered in the past 2 months by the state of Kuwait and People's Republic of China to bring its cargoes from the United States of America.

## Other Results

The director general of the Sudanese Shipping Lines Company, Mr. Salah-al-Din 'Umar 'Abd-al 'Aziz, continued by stating "The positive results are also considered among the successes which inspire pride and respect. The first is that the proportion of Sudanese workers in this company on sea and on land now totals 95 percent as compared

with 5 percent when the company was first established and this has occurred as a result of a firm training plan the company has followed, observing commitment to the competence incentives in use internationally, especially in the marine field." He stressed the continuity of this training plan and declared "The coming 3 years will mark the end of the journey in Sudanizing all the positions in the company 100 percent." He stated "The company, since its establishment, has created labor which had not been taken into account, helping provide stability for hundreds of families and also creating qualified Sudanese staffs in the marine transport field."

The director general of the Sudanese Shipping Lines Company talked about the shipping routes, pointing out, "The company runs a basic shipping route, the Red Sea-United Kingdom-northerwestern Europe route," pointing out "This area accounts for the greatest percentage of the Sudan's import and export trade, totalling 40 percent of it, and all of that is transported on the Sudanese /Lines/. The company also operates a shipment every 10 days in each direction." He said, "The operating capacity of Sudanese Shipping Lines vessels exceeds the requirement of the route it operates on, giving the services of the commercial fleet of the Islamic port of Jiddah in the Kingdom of Saudi Arabia and the ports of North Yemen the same number of shipments as the Port Sudan harbor." He states, "The Sudanese Shipping Lines' activity is not just restricted to operating ships. It goes beyond that to functioning as an agent for about 30 major international shipping companies." He mentioned, "They received in 1978 190 ships in addition to those of the company, or one ship every other day." The man said, "Receiving the ship means answering its captain's request for fuel, supplies, unloading its cargo, creating cargo for it, representing it in collecting freight charges, and other various activities of performing as agent." He stresses, "The persons delegating the agency functions always record a high degree of satisfaction for the excellent services they receive."

#### Transudan

We turned the conversation to the Transudan Company, and Mr Salah said "It is a new company with a legal personality, one of the establishments of the Sudanese Shipping Lines Company." The man stated, "The development of means of transport is no longer restricted to transportation from port to port but also operates from factory to warehouse to specific sites in the receiving country, which has made companies supply new ships with a thousand containers." He considered that there will be no benefit in these containers if their use ended at Port Sudan. To that end, he said "They have established the Transudan Company and supplied it with a fleet of trucks by which transport operations may be continued." He pointed out "These trucks make four monthly trips between Port Sudan and Khartoum-Madani, shipping 500 tons per trip." He stressed, "This company also will undergo development and modernization in order to keep abreast of the country's requirements after the preparation of container storehouses is completed in Port Sudan and Khartoum and they are outfitted with the equipment they need."

#### An Aside

It remains for us to point out that the Sudanese Shipping Lines Company, between its establishment in 1962 and the end of last year, realized revenues totalling 81 million pounds. Revenues last year alone totalled 17,603,844 pounds; the company's net profits in the same period came to 19 million pounds, of which 5,724,891 were

last year alone. The total foreign currency the company saved between its establishment and the end of last year came to 51 million pounds, all of which would have gone to foreign companies were it not for the Sudanese Shipping Lines Company fleet. We must point out, as we conclude the discussion on the Sudanese Shipping Line facility, that the company faces severe competition and that, in spite of the faith and solidity of the men managing it as their national duty, it is mandatory that the efforts of all sincere Sudanese businessmen, especially those working in the export-import field, act in solidarity with more abundant national commitment, which will motivate them to allocate all their exports to this company so it will be their carrier, in order to save every millieme which goes to foreign bodies. Let us not forget, either, to urge officials at the summit of power to think clearly about the matter so that they will be able to give incentives for further cooperation with this company, if only by using such encouragement incentives given to every exporter to transport all his exports via this company as reduction of all types of the tax he pays, for example, so that he will be able to break the thorn of intense competition this company faces, preserving the hard currency which goes out of the Sudan in the form of ocean freight charges, in order to maintain our abilities and provide another incentive for our domestic economy of which none of us denies the Sudanese Shipping Lines Company has become a strong pillar. At the end, it is necessary to say a final word which we direct to Mr Salah-al-Din 'Umar 'Abd-al-'Aziz, apologizing to him for delaying in publishing this meeting because of special circumstances which accompanies us as we were in the process of preparing it for publication, and thanking him for the generosity with which he received us, giving us an opportunity to learn much that the reader did not know about this company.

11887

CSO: 4302

TUNISIA

MZALI ADDRESSES POPULACE OF SILIANA

Tunis LA PRESSE DE TUNISIE in French 28 Sep 80 p 1,5

[Excerpts] --Make the young aware of the advantage in choosing manual work.

--The administration must be in the service of the people and not the contrary.

--The people know how to distinguish between the sincere official and the charlatan.

Mr Mohamed Mzali, the prime minister and secretary general of the Party spoke yesterday to the citizens of the Governorate of Siliana during a people's meeting which was held in the Siliana House of Culture, where there were also present: Mr M'hamed Chaker, minister of Justice, Lasaad Ben Osman, minister of Agriculture, Abdelaziz Ben Dhia, minister of Higher Education and Scientific Research and a number of national and regional officials.

Mr Mohamed Mzali began by transmitting to the audience the greetings of the Supreme Combattant.

"The inspection trip which I am undertaking in the Governorate of Siliana, accompanied by a certain number of colleagues and officials on the regional level is only one proof of the interest which the government has in the region and its interest in bringing together to a greater extent conditions favoring its development and placing it definitively on the path of progress and prosperity," declared Mr Mzali, who then continued:

"Because of a lack of time, my visit was limited to a few delegations. I promise you that I will visit the rest of the delegations later."

"This visit and the popular character which we tried to give it constitute a reaffirmation of the Bourguibian and Destourian influence which was based from the beginning of our struggle for liberation and development on direct contact."

Mr Mzali continued: "Such visits aim first of all at increasing the number of contacts with the population in order for us to gain first hand knowledge of the situation. We are not content during these visits to look at a few graphs and figures and charts.

"We believe that the popular masses must be kept informed of the reality of the situation and that they can contribute to changing it.

"The state can, relying on experts and technicians, build roads, dams and factories, but such accomplishments can only be valuable and beneficial if the popular masses feel that they are involved, that they have a role to play, that they have their say.

"Without participation, the popular masses are in danger of going off in one direction, while the technicians and experts go off in another.

"That is what has happened in certain countries such as Iran.

"The Shah had tried to make of Iran the strongest country in the Third World. He was presumptuous and vain, up to the point of saying that Iran would be the fifth most important country in the world.

"But the Shah had not tried to understand the real desires and aspirations of the Iranian people.

"The government," added Mr Mzali, "is anxious to follow the Bourguibian approach. It considers, therefore, the solution to the psychological problems as being of prime importance, which must be acted upon now and feels it must speak frankly with the people about the numerous obstacles which are holding back the concretization of integral development.

"It is also essential that the popular masses know that the officials are determined to reduce these obstacles as soon as possible and with a sincere will.

"We know that there exist problems and we recognize their existence. Because all it takes is to have a leader visit a region for letters from the citizens to rain down on him. This shows that the situation is not as good as we have a tendency to believe and that some leaders abstain from meeting with citizens and from speaking with them frankly and listening to their grievances.

"These numerous letters prove without any doubt the existence of certain problems of a psychological nature. I do not reproach the citizens for sending me their written grievances. My reproach is directed toward those officials who avoid direct contact with the citizens in order to know their situation better.

"That explains, moreover, the interest which we attach to the realization of decentralization, to the Administrative Reform, and to the service which the public officials and the administration are called upon to render the citizens so that the administrative apparatus may be placed in the service of the people and not the other way around.

"Our administration has become bogged down in structures and paperwork, which has tended to worsen the situation. Because of this, the government has taken a series of measures aimed at reducing the delays and simplifying procedures. But the slowness of the administration is reducing the effectiveness of the political desire for various reasons, the most important of which is psychological, that is on the level of prejudices, traditions and errors in value judgments which our minds are affected by."

Mr Mohamed Mzali asked, in this context, the civil servants to treat the citizens with respect and to serve them quickly. He added: "We must restore magnanimity in our hearts and a deepened feeling of solidarity and affection between citizens. That is a psychological task which requires the combined efforts of all our citizens.

"A minister cannot accomplish this task alone, all officials at whatever level they function are called upon to intensify the efforts in education and orientation in order to make our reform of administrative structures succeed and to make of them instruments in the service of the citizens. We must also reinforce our contact with the popular masses and be sensitive to their problems and to the most appropriate means to find adequate solutions to them. The letters which are given me here and there show that some citizens have problems which remain unresolved and that it is because some officials have not done their job and have not taken the trouble to meet the citizens so as to get to know their concerns and be able to help them solve their problems.

The prime minister added: "The problems become less acute when each official accepts his true role and tries to get in contact with the citizens whenever it is necessary. Actually, every official must have a true understanding of his responsibilities and must be present wherever duty requires him to be, that is, close to those for whom he is responsible. To keep in permanent contact with them, and to keep abreast of their problems and their concerns. It was Bourguiba who taught us that principle and who continues to teach it to us.

"We must be in contact with the people, because that contributes to strengthening the Party, to assuring its influence and its duration. The Party can be strong and overcome underdevelopment only if it has the confidence and the support of the population and that is possible only to the extent that the Party is in the service of the people, and its officials and staff members feel mobilized to serve the higher interest of the nation. Any person who wants to

take on a responsibility must prove himself worthy of it through hard work and by furnishing the required effort. But for any person who tries to reach other ends, he should look for another activity more in keeping with his ambitions.

"That is why I reaffirm the necessity of choosing the officials in a democratic way and taking advantage of congresses and general assemblies, of party organizations to ask for an accounting from the officials, frankly and courageously.

"I would like," added Mr Mzali, "to mention with satisfaction the new positive climate which I have noted in Siliana. That is the reason the new governor visited the different regions and suspended a policeman for having violated the rights of the citizens.

"I have been very happy to learn that the governor urged the officials in all sectors to carry out their mission correctly and that he criticized any official who neglects his duty, blaming him at that time.

"Our relationships," he added, "must come out of our work and not from personal affinities. The person who is one of us is the person who demonstrates his seriousness and devotion in his work. Our sympathy must go out only to those who work for the good of the country.

"That is why I take satisfaction in the fact that the new governor and the officials of the Coordinating Committee have become aware, through direct contact, of the problems of our citizens.

"My wish is to see the regional staff bring their support to the governor, in order to win the psychological battle because we can only succeed in our development efforts if we create a favorable psychological climate, suited to the reinforcement of confidence, to reawakening the enthusiasm of the citizens and strengthening in them the will to accomplish and to succeed, while realizing that the political action of the Party is based on direct contact with the people, aimed at raising their level.

Mr Mohamed Mzali emphasized in addition the government's desire to promote the agricultural sector in the governorate of Siliana by strengthening regional development. "To do this, we have taken several steps. Other steps will also be taken in the near future. We are going to direct our efforts essentially toward the promotion of the farmer and the improvement of his standard of living. We are also going to encourage the establishment of industries involved in processing agricultural products and to work for the creation of middle sized industries in the governorate while at the same time giving serious attention to the housing sector."

"President Bourguiba, moreover, gave instructions for revising government policy in the area of low income housing. It is possible to take steps to reduce the delay required by CNEI [expansion unknown]

for the granting of loans to savers. These delays could be reduced from 4 to only 2 years.

"In addition, we are going to continue our efforts to promote the education sector. It is in that way that each delegation of the governorate of Siliana now has a secondary school, with the exception of the delegation of Kisra, which will have its secondary school in the next few years. We also plan to establish a technical high school in Siliana."

"The prime minister emphasized on this subject the concern of the government to encourage vocational training and employment so that each young person may find a job once his training is completed."

and Mr Mohamed Mzali added: "We must revise our methods of action. The Destourian cells and all the organizations are called upon by us to help so that the education dispensed by the Ministry of National Education, by the Department of Social Affairs or of Agriculture is adapted to our needs and that it encourages a spirit of initiative.

"The objective which is being pursued," continued the prime minister, "is that of convincing the students graduating from the schools to remain in their area and to orient themselves toward productive industrial branches with all the difficulties and all the constraints which that implies.

"Asking for help from management and from the heads of businesses in the creation of jobs for young people, we are working so as to make young people become aware of the benefits in choosing manual work, struggling against an old-fashioned attitude which gives more prestige to administrative jobs," the prime minister added.

"It is in the advanced countries that one finds the best examples of caring for those who take up trades such as electrician and plumber whose earnings are far higher than the salaries of teachers and certain categories of civil servants.

"Change, moreover, has become possible thanks to the transformation in thinking, the change in the idea held about certain jobs.

"What we are suffering from in Tunisia," added Mr Mzali, "is rather slow change in the thinking of certain Tunisians who do not place themselves in harmony with the needs of modern life.

"Today, we need more than ever before manual workers, particularly in the agricultural sector, where the average age of the workers is on the order of 55 years. Who will replace them in a few years?" asked the prime minister, who pointed out that we are seeing a change in thinking. "Actually," he said, "this morning, I met in Oued Lakhmes, a farmer who, with the help of his son, is working, with remarkable enthusiasm, the land of his ancestors. That forces us, as leaders, to create a revolution on the psychological level, to

analyze the situation and to understand the true problems which bear on social action, such as the role of the woman in the home and in family planning and the status of handicapped and disabled people.

"These are the kinds of problems which the Party and the militants must be concerned with--that is our conception of political action," he said.

The prime minister also added: "I am happy to find this positive atmosphere and to see that we are going in the right direction. I reaffirm what I have already said, that is, the government is counting on the governors, the delegates, the secretaries general of the Coordinating Committees and all the other officials, to be, each of them an example to be followed concerning their attachment to the Bourguibian method of direct contact with the masses. They must find solutions to the psychological problems, must listen to the citizens, speak with them frankly and act so as to make them aware of the real problems which we are facing. As for the problems of development, be reassured, because Bourguiba is there, thinking of you and your problems.

"I am anxious," added Mr Mzali, "to put my finger on the origin of the problem because I am one of you and we must help each other in order to combat underdevelopment in us and around us, calling for the good and getting rid of the bad, by adopting as our motto, sincerity in words and loyalty in deeds, spreading high moral values and by caring about the higher interest of the nation, of the invulnerability of Tunisia and the future of the rising generation.

"That is what gives meaning to our struggle and what can satisfy our conscience and our people, who appreciate fully our efforts because they know how to distinguish the sincere official from the charlatan.

"If the people trusted Bourguiba during their national struggle, it was because they were convinced that Bourguiba was sincere and he spoke the language of sincerity. They felt that that sort of language which came from the heart was not the language of a hypocrite. On the contrary, Bourguiba was the first to make use of this language because he had had to endure the rigors of colonial cells and jails.

"He had made use of it because the destiny of his people concerned him. That is the reason the people granted him unlimited affection and embarked upon the path that he had chosen.

"We would like each one of us to take Bourguiba as an example and take the route he showed us, always remaining loyal to the people, sincere in his relations with them and devoted to their service. The future can then only offer hope.

"I am relying on you," he said, "and I am sure that all the officials in the governorate, with governor at their head, are prepared to serve you. I remind you, moreover, that the governor represents the chief

of state in the region and that he is the man in whom the government has placed its confidence."

Speaking of decentralization, the prime minister said that it did not mean the creation of a state in each region. It was instituted for the purpose of bringing together the administration of the citizen and the management structures of the governor so that the governor can make use on the spot of all the possibilities which are offered him without having to go to Tunis and so that he can assure the coordination between all these potentialities in order to obtain the best results.

"In our opinion, decentralization means then bringing together the services of the administration and the citizens and simplifying administrative procedures.

"Therefore, I must rely, for this, on the governor and the delegates in the matter of political and administrative action as well as the Destourian cells and the national organizations and the Union of Youth Organizations, which are being called upon to be the "motor," the conscience of the people and the "transmission belt" to take the aspirations of the citizens to the officials and the directives of the officials to the citizens, explaining to them the content of the programs of the government and informing them of the obstacles with which we are confronted."

The prime minister added: "As I said yesterday, the mission of the Party does not consist in directing.

"On the other hand, it must lead a effort toward reflection, creation and verification. Moreover, President Bourguiba in person reaffirmed it on many occasions and I am merely reminding those who may have forgotten."

"The prime minister, in addition, wished the governorate of Siliana a happy future and expressed the conviction that by joining efforts, by winning the psychological battle and by making a healthy climate reign, the impossible will be realized.

"I hope to be with you again in a few months as I promised the citizens of other delegations," he concluded.

Mr Mohamed Mzali then decorated certain militants with the order of Chevalier of the Order of Independence.

8956

CSO: 4400

END

**END OF**

**FICHE**

**DATE FILMED**

November 21, 1980

Debbie